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Joint-Base Contracting: A Comparative Analysis of Joint-Base Contracting Activities Between Services

9 November 2011

by

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Abstract

The Department of Defense (DoD) recently created 12 joint bases by consolidating the support functions of geographically close bases under the lead of a single Service. The 2005 Base Realignment and Closure (BRAC) Commission recommended the joint-basing initiative based on the expected savings of $183.8 million annually. The objectives of the BRAC process were to achieve cost savings, transformation, improvement of capabilities, and enhancement of military value.

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Table of Contents

List of Figures

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List of Tables

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List of Acronyms and Abbreviations

AFB	Air Force Base
AETC	Air Education and Training Command
AFARS	Army Federal Acquisition Regulation Supplement
AFFARS	Air Force Federal Acquisition Regulation Supplement
AFPC	Air Force Personnel Center
AMC	Air Mobility Command
BMT	Basic Military Training
BRAC	Base Realignment and Closure
COLS	Common Output Level Standards
DFARS	Defense Federal Acquisition Regulation Supplement
DoD	Department of Defense
FOC	Full Operational Capability
GAO	General Accounting Office (before July 7, 2004); Government Accountability Office (after July 7, 2004)
GDP	Gross Domestic Product
GM	General Motors
GPC	Government Purchase Card
IRB	Institutional Review Board
JBLM	Joint Base Lewis-McChord
JBSA	Joint Base San Antonio
M&A	Merger and Acquisition
MEDCOM	Medical Command

MICC	Mission and Installation Contracting Command
MSG	Mission Support Group
PSM	Purchasing and Supply Management
RFP	Request for Proposal
SACC	San Antonio Contracting Center
SARPMA	San Antonio Real Property Maintenance Agency
TCO	Total Cost of Ownership

I. Introduction

A. Overview

The idea of consolidating functions is not new in the corporate world, nor is it new in government. Organizations often consolidate activities to achieve economies of scale and other efficiencies. Examples of consolidation include mergers, acquisitions, collocations, shared facility utilization, strategic alliances, and so forth. Such consolidations can reduce operating costs and increase potential performance for companies and government entities alike. Recently, due to decisions in the Department of Defense (DoD) Base Realignment and Closure (BRAC) process, military consolidations increased in frequency across the United States.

Mergers and acquisitions occur with incredible frequency throughout the world. They occur at every level of business, at every locality, and in virtually every industry. One estimate from 2004 stated that 30,000 mergers and acquisitions were completed globally that year (Cartwright & Schoenberg, 2006). This estimate equates to one merger or acquisition every 18 minutes. More startling than the frequency with which mergers and acquisitions occurred is that the estimated value of these 30,000 transactions was $1.9 trillion, which exceeds the gross domestic product (GDP) of nearly all countries (Cartwright & Schoenberg, 2006).

Joint purchasing, which is purchasing cooperatively with another organization either through consolidation or cooperative behavior without consolidation, can lead to a competitive advantage for merging firms by reducing redundancy, consolidating purchases to gain economies of scale, and combining the experience and skill of multiple organizations to improve corporate knowledge. The automobile industry has several examples of joint purchasing agreements that are not consolidations; specifically, General Motors (GM) and

Fiat purchase automotive supplies cooperatively while Renault and Nissan are similarly allied (Midler, Neffa, & Monnet, 2002). Private industry abounds with examples, other than those from the automobile industry, of both successful and unsuccessful consolidations. Governmental organizations often attempt to mimic the successes of industry where possible in order to meet regulatory requirements and fiscal constraints, and consolidation is no exception.

One example of consolidation is joint basing, where installations from multiple Services in close geographical proximity combine their support functions under the lead of one Service. Joint basing affects all functions on the installation to some degree, but contracting organizations face unique implementation issues. This effect remains especially true in instances of inter-Service joint basing where process changes occur to some degree at every level. Benchmarking the changes to the base-level contracting unit's governance structures, processes, and communication that occurred in recent joint-basing actions should reveal best practices and indicators for potential improvement. The best practices and indicators identified would apply directly to any future efforts to consolidate contracting activities from different military departments.

Because no extensively researched literature exists explaining the occurrences of contracting units in joint basing, this research is exploratory. Using a case study methodology, we conducted a comparative examination to explore consolidations of procurement at Joint Base San Antonio (JBSA) and Joint Base Lewis-McChord (JBLM). The United States Air Force leads the JBSA mission, and the United States Army leads the JBLM mission. Comparing and contrasting the way JBSA and JBLM operate provided a clearer understanding of how the consolidation of the contracting function changed the units and its customers.

Utilizing an exploratory case study approach, we sought in this research to identify specific factors that contribute to the organizational successes of joint-base contracting. The goal was to unveil how joint basing has changed

contracting at the base-level. In this research, we sought changes that occurred because of joint basing in the contracting units. Then, we sorted those changes in terms of structure, processes, or communication. In the final step, we identified the changes as either strengths or weaknesses. In this analysis—based on the contingency theory of organizational design, mergers and acquisition literature, change management, and strategic sourcing—we also reveal barriers to consolidation. Using previously identified successes in these related bodies of literature, we aim to find potential improvement for JBSA and JBLM. By documenting changes in these specific organizations, we hope to guide the successful execution of future joint-base contracting throughout the Air Force, DoD, and other federal, state, and local government organizations.

B. Background

JBLM and JBSA were created as the result of the 2005 DoD BRAC process, which sought to optimize efficiency and warfighting capabilities, maximize the joint utilization of resources, and ensure that the current defense infrastructure supported the post-Cold War force structure (U.S. Army Base Realignment and Closure Division, 2006). San Antonio, Texas, has a history of consolidated functions, even before the BRAC, as seen in the examples of the San Antonio Real Property Maintenance Agency (SARPMA) and the San Antonio Contracting Center (SACC), which occurred in the 1970s and 1980s (General Accounting Office [GAO], 1989). The SARPA and SACC are valuable examples that occurred over three decades prior to the BRAC joint-basing initiative, but they served very much the same purpose on a much smaller level. Additionally, they give some insight as to the effectiveness of function consolidation between bases. In this section, we give a brief history of the creation and subsequent disestablishment of the SARPMA and SACC, the BRAC process, the results of the various BRACs, and the estimated cost savings from the realignments and closures.

The DoD created the SARPMA and SACC with the Air Force as the lead after completing a cost study in 1975 indicating that over $2 million (in 1975 dollars) could be saved annually by consolidating the contracting services at five DoD installations in San Antonio, Texas (GAO, 1989). The five installations were the Air Force installations of Brooks Air Force Base (AFB), Kelly AFB, Lackland AFB, and Randolph AFB, and the Army installation of Fort Sam Houston. Standup of the SARPMA and SACC began shortly after the cost study was completed, and both organizations were stood up by October of 1978 (GAO, 1989). They operated for nearly a decade before closing.

Less than 10 years after their creation, studies by both the DoD and Air Force indicated that projected savings were not being realized and installation commanders wanted more direct control over these activities (GAO, 1989). By October 1, 1989, both installations had been disestablished and 97% of the employees were reassigned to their functions at the different installations in San Antonio versus the consolidated units (GAO, 1989). Years later, a 1996 GAO report noted that the DoD and the Services found it difficult to track monetary savings for inter-Service consolidations. The report went on to say that there is even a general resistance by commanders because it forces them to release control of their mission to other individuals or organizations (GAO, 1996). A report from 1983 directly stated, “SARPMA is probably not achieving the primary purpose of consolidation . . . lower cost to the government” (Massey, 1983). In the end, a Defense Management Report Decision concluded that determining savings was not possible for a variety of reasons (GAO, 1996). The report went on to say that although projected savings may not have occurred, its failure should not be blamed on consolidation alone (GAO, 1996). Years later, the BRAC process of joint basing reused the consolidation ideas of the SARPMA and SACC, which had tried and failed years earlier.

The BRAC process began in 1988 when Congress passed the Base Realignment and Closure Act to achieve significant savings by closing and

realigning underutilized or redundant facilities. The BRAC Act superseded a previous law, 10 U.S.C. § 2687, which mandated congressional approval for the closure of any installation that affected more than 300 DoD civilian employees (Defense Secretary's Commission on Base Realignment and Closure, 1988). The act created a BRAC Commission to provide recommendations to the Secretary of Defense detailing which bases should be closed or realigned. For any bases to be closed through this process, the Secretary of Defense was required to approve all of the recommendations of the Commission. Additionally, the act gives Congress the opportunity to disapprove any of the Commission's recommendations. If the Secretary of Defense approves the recommendations and Congress does not disapprove them, they will be implemented. No option is given in the act for either the Secretary of Defense or Congress to accept the Commission's recommendations in part; they can only accept or reject the recommendations in their entirety (Defense Secretary's Commission on Base Realignment and Closure, 1988).

The BRAC Commission, comprised of 12 members appointed by the Secretary of Defense, reviewed all military installations, including those under construction and planned for future construction. The Commission's role was to ensure that the process was objective and open, including ensuring that all of its non-classified meetings were open to the public (GAO, 1997). To further ensure an objective process, no more than half of the Commission's professional staff members could have worked for the DoD during the same year that they were a part of the BRAC Commission. Although their charter required them to consider readiness requirements, manning impacts, environmental impacts, economic impacts, and cost savings in the first six years following the theoretical closure of identified bases (GAO, 1997), the 1988 BRAC Commission was responsible for defining the full criteria used to determine which bases should be realigned or closed (Defense Secretary's Commission on Base Realignment and Closure, 1988). In subsequent rounds of the BRAC process, the Secretary of Defense

determined the criteria (Defense Base Closure and Realignment Act of 1990, 2006).

The BRAC Commission used a two-phase process to determine which bases should be closed or realigned. First, it grouped the bases by functional categories and reviewed the military value of these functions, the base-to-base mobility of the different functions, and the excess capacity in each function. The Commission relied on the Services to provide the aforementioned functional data and chose several bases to review more closely than the broader list of bases. These bases identified for closer reviews were the focus of the second phase of the process, which concentrated primarily on the costs and savings associated with closing and realignment. At this stage, the Commission also considered the economic impact on the civilian community, the impact on the environment, and the impact of cleanup cost. The environmental cost was only a minor consideration because the Commission determined that the DoD would be liable for those costs, regardless of whether or not the base in question was closed. The Commission used as much quantifiable data as possible but admitted that it was impossible to avoid subjective judgment (GAO, 1997). The 1988 BRAC process resulted in a recommendation to close 86 bases, partially close five bases, and realign 54 bases (Defense Secretary's Commission on Base Realignment and Closure, 1988).

Another BRAC process began when Congress passed the Defense Base Closure and Realignment Act of 1990. The process was very similar to the one used in 1988 but with some notable changes. An important change was that the Secretary of Defense now determined the decision criteria for the BRAC instead of the Commission—which Congress had the opportunity to disapprove–and submitted recommendations for the BRAC to Congress. The BRAC Commission's role was now to analyze and review the process that the DoD used to apply the criteria and to create recommendations on changing the criteria that the Secretary of Defense used. The Commission was to submit a report to

the President, who could then accept all, reject all, or reject some of the Commission's recommendations. If some or all were rejected, the Commission could then revise its report and resubmit. If the President accepted the recommendations, Congress would then have the option to disapprove the recommendations. If Congress did not disapprove, the Secretary of Defense would then implement the recommendations (Defense Base Closure and Realignment Act of 1990, 2006).

The remaining BRAC decisions were also based on the Defense Base Closure and Realignment Act—although the act was later amended—and used the same basic process. The 1991 DoD BRAC recommendation was to close 43 installations and to realign 28 other installations (Department of Defense [DoD], 1991). The 1991 BRAC Commission's final recommendation advised 34 installation closures and 48 installation realignments (Defense Base Closure and Realignment Commission, 1991).

The 1993 round resulted in the DoD advocating that 31 major installations be closed and 12 major installations be realigned; closures or realignments that affected more than 300 jobs were considered major. Additionally, 122 minor activities were recommended for realignment (DoD, 1993). The 1993 BRAC Commission recommendation included 130 closures and 45 realignments. Of these, 35 were major closures and 27 were major realignments (Defense Base Closure and Realignment Commission, 1993).

In 1995, the DoD urged 33 major closures, 26 major realignments, and 87 minor actions (DoD, 1995). The BRAC Commission favored 28 major closures, 22 major realignments, and 83 minor actions. Of the 133 recommendations made by the BRAC Commission, the DoD did not originally recommend 10 of them.

During the most recent BRAC round in 2005, the DoD recommended 33 major closures, 29 major realignments, and 135 minor actions. The BRAC

Commission recommended 22 major closures, 33 major realignments, and 127 minor actions (Defense Base Closure and Realignment Commission, 2005). The recommended realignments included the creation of 12 locations where bases from multiple services would consolidate their base support functions to form joint bases, including JBLM and JBSA (Air Education and Training Command, 2008).

In 2002, the DoD estimate of the total savings due to the BRAC process through that point in time was $16.7 billion (adjusted for inflation), but the GAO characterized all estimates of BRAC savings as inexact estimates due to the dynamic nature of the implementation of the BRAC process (GAO, 2002). The DoD also estimated in 2002 that it would save $6.6 billion annually because of the closures resulting from the BRAC process. The estimated savings for the 2005 BRAC round were $15 billion if the projected personnel cost avoidance savings were not included, or $35.6 billion if they were included. The 2005 BRAC round had additional goals other than cost savings, including improvement of military capabilities, military value, and transformation. The transformation goal included improving "jointness" by promoting inter-Service integration and operations (Defense Base Closure and Realignment Commission, 2005).

The 2005 BRAC recommendations included 12 joint-basing initiatives in which base support functions were consolidated under a single Service for installations in close geographic proximity. The combined estimated savings for the 12 joint-basing initiatives was $183.8 million per year. Unfortunately, a breakdown of savings for each base did not exist. Due to enormous differences between the joint bases in terms of size, mission, personnel, and so forth, it is impossible to assume that any one base contributed a specific percentage of the total savings. The expected savings were anticipated to be gained through economies of scale and a reduction in redundancy. The projected lump-sum cost of establishing the 12 joint bases was $50.6 million, which included the cost of change management advisors, relocation costs, hiring costs, and severance costs. Similar to savings of joint basing, a breakdown of costs for each base did

not exist; thus, the differences between bases make any assumption concerning a specific percentage of total costs for any one base impossible. The Air Force was selected as the lead agency for six joint-basing initiatives, the Navy as the lead agency for four joint-basing initiatives, and the Army as the lead agency for the remaining two joint-basing initiatives. JBLM was one of the joint-basing initiatives that the Army was selected to lead while the Air Force was selected as the lead agency for JBSA (Air Education and Training Command, 2008). If the total cost of establishing the joint bases equals the estimated $50.6 million, then savings required must equal or surpass this amount in order for joint basing to be considered a fiscal success.

JBLM reached its full operational capability (FOC) on October 1, 2010 (Bartell, 2010). It was created by consolidating McChord AFB and the adjacent Fort Lewis, a U.S. Army base. McChord AFB was an airlift base that fell under Air Mobility Command (AMC). Fort Lewis was the headquarters of I Corps, home to multiple ground combat units, and fell under United States Army Forces.

The 2005 BRAC Commission also recommended the creation of Joint Base San Antonio. The Commission's report recommended that the installation management functions of Fort Sam Houston and Randolph AFBs be relocated to Lackland AFB. Fort Sam Houston was the headquarters of Army Medical Command (MEDCOM) and received multiple new medical units, including the Army Medical Research Detachment and dental research units from the Army, Air Force, and Navy as a result of the same BRAC Commission that created the joint-basing initiative. Additionally, it received new responsibilities not associated with new units, such as Combat Casualty Care Research, the inpatient function of Wilford Hall Medical Center, and enlisted medical training (Defense Base Closure and Realignment Commission, 2005). Fort Sam Houston also houses the 502d Air Base Wing, which provides installation support for each of the three separate entities that make up Joint Base San Antonio. Randolph AFB was the headquarters of Air Education and Training Command (AETC), as well as the

location of the Air Force Personnel Center (AFPC). Lackland AFB was the home of Air Force-enlisted Basic Military Training (BMT) and also fell under AETC. Joint Base San Antonio also reached FOC October 1, 2010 (Elliot, 2010).

C. Problem Statement and Gap in Literature

No extensively researched literature currently exists showing how to consolidate contracting activities in the federal government so that the desired results of cost savings, improvement of military capabilities, military value, and jointness can be achieved. No set of rules or procedures currently dictates how to go about putting processes, governance structures, organizations, and communication into place to achieve these required savings. Thus, the requisite enablers are largely unknown. Likewise, the barriers to consolidation are not known. Absent the identification of enablers and barriers, consolidated contracting activities in the federal government fail to create an environment in which the desired results can be achieved. Furthermore, correct application enables enormous savings in time and resources while simultaneously reducing negative mission impacts.

D. Research Objectives

Utilizing a case study approach, we sought in this research to identify specific factors that contribute to the organizational successes of joint-base contracting. These factors include processes, governance structures, organizational structures, and communication. We also identify barriers to consolidation. In order to more clearly understand the consolidation of the contracting functions at these two installations, we compare and contrast the way JBSA and JBLM operate. Using previously identified successful organizational consolidations throughout the literature review, we aim in this research to find areas of potential improvement for JBSA and JBLM. By documenting indicators of common successes, we hope this research will guide the successful execution of future joint-base contracting throughout the Air Force, the DoD, and any other

government organizations. The specific questions we address in this research are as follows:

- What are the barriers to effective consolidation?
- What are the enablers to effective consolidation?
- What processes, governance structures, organizational structures, and communication lines and mediums are currently being employed?
- What are the strengths and weaknesses of the current approach(es) to consolidation by the United States Air Force and the United States Army?
- Will the employed processes, governance structures, organizational structures, and communication lines be successful?

E. Methodology

Yin (2009) recommended the case study method when looking at processes that answer "how" or "why" a particular event occurred, and this method is ideal for focusing on ongoing events as contrasted to controlled experiments. The case study methodology is appropriate for this research because the purpose is to see how contracting functions at separate bases consolidated into joint-base units and why the particular processes were used. Because the joint bases are already formed, our research was aimed purely at reviewing the processes rather than at manipulating factors and measuring resultant outcomes.

F. Managerial Implications

This study has several managerial implications. Most notably, there are currently 12 joint bases across the DoD, and each of these joint bases has at least one contracting organization. These contracting organizations began the joint-basing process, but consolidation is far from complete. By providing this information to the current contracting squadron commanders or directors, a

valuable insight can be added to their available resources. Additionally, while no plans currently exist to create more joint bases, the current financial climate in the United States and resulting budgetary pressure in Congress and the Pentagon indicate that more cuts to federal spending will be sought throughout all parts of the federal government. Based on the outcome of the current joint bases—specifically on the ability to contract more efficiently—more joint bases could be forthcoming, in which case this study should act as a guide for implementing the contracting units.

The information provided by answering the research questions should allow contracting activities at any joint location to plan more effectively for and react to contract consolidation activities. By providing these answers to the contracting body of knowledge, we hope to improve the performance of these and future contract consolidation efforts. Identifying enablers and barriers to effective consolidation will provide any future consolidated contracting activities a pathway towards success. Informing the United States Air Force and United States Army of the strengths and weaknesses in their current approach to consolidated contracting will allow for potential improvement to both Services. Examining the current processes, governance structures, organizational structures, and communication lines being employed aids the United States Air Force and United States Army. Additionally, the Services can determine whether they are contributing to meeting the overall goals of the BRAC: cost savings, transformation, improvement of capabilities, and enhancement of military value (Defense Base Closure and Realignment Commission, 2005).

II. Literature Review

A. Introduction

Although no specific literature exists that directly addresses the topic of this study in its entirety, literature relating to individual aspects of the BRAC process exists in volumes. Specifically, we apply the literature concerning the contingency theory of organizational design, mergers and acquisitions, change management, and strategic sourcing to guide this study.

B. Concepts

1. Contingency Theory of Organizational Design

The contingency theory of organizational design is a way of viewing organizations through a theoretical lens, which contends that organizational effectiveness is achieved by aligning organizational design with each situation (Donaldson, 2001). Performance or effectiveness is then a function of how well the organization "fits" into the environment in which it resides (Donaldson, 2001). Rather than identifying a best-practice laundry list or creating an ineffectual pictorial chart to describe the theory, its uses are far-reaching and can be understood and applied by the layperson (Shepard & Hougland, 1978). *Fit* refers to the appropriate relationship between an internal and external aspect of an organization (Lawrence & Lorsch, 1986). For example, the organizational structure of a company may change based on the industry in which it competes.

The contingency theory of organizational design differs from all other theories of organization in that rather than adopting factors to promote a maximum outcome or performance, factors are aligned to the appropriate level to fit the contingency (Donaldson, 2001). To accept this theory, one must accept that optimal levels of performance may be achieved without reaching the elusive,

aforementioned “maximum.” For example, a football coach may recognize on third down and long that a pass play would generally be considered most appropriate; however, due to weather, personnel, or other factors, he or she may opt for a run play that would generally be considered incorrect in terms of book-knowledge of the game. In the coach’s view, however, it may be the most appropriate play for the situation.

The contingency theory of organizational design has its roots in 1961 when Tom Burns and G. M. Stalker published their book *The Management of Innovation*. They identified that organizations seek to fit with the contingencies with which they are presented. The focus of Burns and Stalker (1961) was that the organizational environment in which organizations operate plays a major role in the contingency of designing the correct fit. This work was further developed over the next 50 years, and research supporting their initial idea of structuring organizations appropriately for their contingencies abounds. Subsequent research studies furthered the idea of fitting organizations into their appropriate contingency environment (Lawrence & Lorsch, 1986; Pennings, 1992; Woodward, 1965). Other researchers quickly recognized that organizations required environmental considerations in order to be successful. The contingency theory of organizational design can and should be applied across diverse organizations and industries with different managerial structures and configurations (Burton, DeSanctis, & Obel, 2006). Organization leaders who ignore this important idea of fitting their organizations with the contingency environment see degraded performance in multiple business areas (Donaldson, 2001).

Significant follow-on work has taken the idea of contingency theory to other fields of study. For example, Fred Fiedler’s (1967) creation of the contingency theory of leadership took the base work of Burns and Stalker (1961) and transitioned it from organizational design into the realm of leadership. James W. Fredrickson (1984) applied the contingency theory to the decision-

making process to address how to comprehend and use imperfect information. More recently, John E. Delery and D. Harold Doty (1996) even took the ideas behind the contingency theory of organizational design and applied them to the realm of human resources, creating a solid theoretical foundation they claimed had been absent from that field.

With the opportunity for improved performance and the threat of decreasing performance now identified in literature, studies into the link between organizational structure and performance began to increase in frequency. Each application of the contingency theory of organizational design provided unique information to the field of study, and whether quantitative or qualitative, each study showed the importance of organizational fit (Donaldson, 1987; Holdaway, Newberry, Hickson, & Heron, 1975; Woodward, 1965). Additionally, these findings held true for both public and private sector organizations because organizational fit was imperative for both types of organizations. Even when compared simultaneously, the importance of fit showed quantitative support of roughly equal importance to either public or private entities (Holdaway et al., 1975).

Three foundational commonalities exist between the contingency theories in each field of managerial study. These three commonalities lie at the heart of the contingency theory: the association between contingency and organizational structure, the change process that contingency change causes organizational structural change, and the fit of structure to contingency that affects performance (Donaldson, 2001). By understanding these three commonalities and the literature that supports them, best practices can be discovered at JBSA and JBLM. In addition to identifying best practices, an analysis of the literature within each of these commonalities also allows us to identify weaknesses that can be applied to the case.

There is a correlation between contingency and structure. The presentation of this correlation may be quantitative (Holdaway et al., 1975) or qualitative

(Woodward, 1965). The strength of this correlation relies directly on the different magnitudes of the contingencies. In 1973, Child identified the role organizational size plays and how bureaucracies can have a direct impact on organizational structure. He identified that although size is a significant portion, other factors must be considered because complexity expands as size increases. Specifically, Child (1973) qualitatively and quantitatively showed that formalization and decentralization are the main factors in successful organizational structure. Although Child's 1973 study specifically used commercial organizations, its applicability is directly pertinent to public organizations as well.

The idea that contingency change causes organizational structural change is important to analyze. Some argue that structural contingency is static (Galunic & Eisenhardt, 1994), but this is an incorrect assessment. The contingency theory of organizational design is fluid and dynamic because both organizations and environments change over time (Donaldson, 2001). In fact, as the contingency structure changes, the organizations must adapt in order to remain effective (Burns & Stalker, 1961). Those organizations that fail to adapt will subsequently observe decreased performance as changes to either the structure or the environment make them obsolete.

Because fit affects performance, organizations must carefully consider their environment and structure (Donaldson, 2001). Much like trying on new shoes or clothing to find the best size, organizations also seek to find the perfect fit. However, the complexity required by organizations searching for the perfect fit differs immensely from individuals trying on shoes. Understanding adaptability is one success predictor, and the knowledge of when to adapt is another. Creating a new fit to improve performance and meet the changed contingency first requires an effective feedback loop to identify the change (Donaldson, 2001). This feedback loop is essential to the continued evolution of organizations as they morph internally and externally with their environment. Lowered performance, forecast changes, or personnel changes are all ways in which the

feedback can be identified and even predicted with limited accuracy (Donaldson, 1987, 2001).

In addition to the three foundational commonalities described here, we identify an important fourth commonality. Task uncertainty is a contingency that interfaces with technological advancements, business environment changes, and industry innovation—creating enormous pitfalls for organizations (Gresov, 1990). With special consideration given to governance structures, task uncertainty can create free-floating units within an organization unsure of its true role or purpose. Therefore, very specific attention and immediate "refit" action must be taken when task uncertainty roles emerge because their spill-over effects can be far-reaching (Donaldson, 2001).

Other researchers have identified myriad additional organizational contingencies that play a role in the ultimate performance of units. However, for the purpose of this case study research, we have limited the contingency theory predictors for success to the previously identified factors: formalization, decentralization, adaptability, effective feedback, and task uncertainty. When formal policies or procedures are in place and decentralized decision-making is encouraged, the literature shows an increased probability of success. Similarly, when organizations prove to be adaptable with changing contingencies, the chances of success improve. The same applies to implementing effective feedback processes and minimizing task uncertainty. Throughout this research, we highlight and emphasize these, especially with regard to governance structures.

2. Mergers and Acquisitions

Although the BRAC decision to create JBSA and JBLM was congressionally directed, much of the mergers and acquisitions (M&As) literature applies. In both JBSA and JBLM, no base or Service truly acquired the other; however, both bases saw a merger of functions and a subsequent appointment

of a lead contracting Service. In the corporate world, the majority of mergers fail in every sense (Weber & Camerer, 2003). Conflict arises, turnover occurs, and participants at every level seem disappointed with the results (Buono, Bowditch, & Lewis, 1985). Although the option to divest a non-performing unit is unavailable to JBSA or JBLM, the goal of creating value still exists. By examining M&A literature and identifying processes that are indicators of success, guidance can be given to improve the consolidation of contracting units.

Fifty years of intense M&A research has had no appreciable impact on the failure rate of mergers (Cartwright, 2005). According to one author, "traditional M&A research has failed to find answers to improve the continuing high failure rates of M&As. The most frequently studied variables have offered no consistent explanations why some firms . . . succeed at implementing M&As changes and others fail" (Clayton, 2010, p. 1). Despite the continued struggle for M&As, the research has identified several key factors as best practices and indicators for success. While accepting that more research is needed, consistent information does appear throughout the literature that acts as either an indicator for success or failure.

The adaptability of both organizations and individuals is closely tied to the idea of culture. Organizational culture is a shared social understanding brought about by commonly held assumptions and worldviews among members of an organization (Wilkins & Ouchi, 1983). An organizational culture is the traditions, shared beliefs, and expectations about how individuals should behave and how tasks should be accomplished in organizations (Cartwright & Cooper, 1993). Because culture is so pervasive in both organizations and individuals, failure to understand and address it appropriately significantly increases the failure rate of M&As (Weber & Camerer, 2003). Understanding cultural differences between organizations is important and also has several subcomponents that must be understood and adequately addressed.

In a study of 156 companies in North America, Europe, and Asia-Pacific that was conducted over six months, researchers concluded that the most detrimental barrier to successful partnerships is the difference in organizational culture (Johnson, 2004). Working with another organization through M&As is more than just gaining new coworkers. Instead, it is coexisting and often clashing with every facet of the other organization currently or in the future (Badrtalei & Bates, 2007). Because an organization's culture is a result of the organization's history, it will resist change despite the environmental changes happening within an organization, specifically in M&As (Hofstede, Neuijen, Ohayv, & Sanders, 1990).

Acculturation is the outcome of a process in which the attitudes, beliefs, and values of two previously independent organizations form a unified culture (Larsson & Lubatkin, 2001). Obviously, firms involved in M&As must transition through acculturation in the development of the unified organization. Employees may resist acculturation by remaining individualistic or by forming subcultures in the post-M&A environment, but reducing or minimizing the occurrences is critical for successful task completion (Creasy, Stull, & Peck, 2009). This culture clash is a situation that has severe consequences, including low employee buy-in to the transformation, high turnover, low commitment to the change by employees, and overall decreased performance (Buono et al., 1985; Sales & Mirvis, 1984). Although research does exist on various aspects of cultural discontinuity, the literature is not extensive enough to provide sufficient causal links (Creasy et al., 2009).

The cultural discontinuity surfaces as the pre-merger entities transition to their post-merger reality (Creasy et al., 2009). The differences in managerial practices are especially significant for the organizations as the shift to unite the separate entities takes place (Marks & Marvis, 1985). When leadership styles in an organization are vastly altered or unceremoniously changed due to an M&A, the culture of one or both organizations will likely experience some form of

culture shock. This culture shock is most apparent when control systems, administrative practices, or management styles between the pre-merger and post-merger entities differ significantly (Creasy et al., 2009). Unless directly addressed, organizational instability will increase and a number of questions about structural-, cultural-, and responsibility-related changes and concerns potentially leading to significantly degraded organizational performance will grow (Buono & Bodwitch, 1989).

In connection to the cultural problems, another frequently identified factor indicating success is a company's ability to adapt or evolve to meet the new requirements management has placed on them (Clayton, 2010; Swaminathan, Murshed, & Hulland, 2008). Just as with the contingency theory of organizational design, the theme of fitting organizations to the environment continues throughout M&A literature. The concept of adaptability is broken down into four subcomponents: change, openness, shared vision, and a positive emotional attractor (Clayton, 2010). Each of these subcomponents of post-M&A flexibility is important to understand, but may be applied overall as adaptability.

As individual bases are merged to create joint bases, the problems, angst, and demands the bases experience are similar to the commercial world. Adaptability to change is the first identified factor that is a key indicator of the future success of an M&A (Clayton, 2010). Organizations that have adaptive qualities are better able to focus on a common goal without sacrificing performance (Losada & Heaphy, 2004). The personnel must be listened to and the integration of first-level employees must occur during the transition process. This integration is necessary because personnel at the edge of transitional chaos are most likely to create and subsequently implement effective ideas that will garner the highest level of buy-in (Losada & Heaphy, 2004).

Inseparable from adaptability is the fact that organizations must have openness. In *The Fifth Discipline*, Peter Senge (1990) explained two aspects of the concept of openness that organizations seek to achieve. The first is

participative openness, which is the freedom of individuals to speak out and be heard. The second is reflective openness, which is the willingness to change based on the input of others. Both participative and reflective openness are essential in order to achieve a successful fit of organizations with their environment (Senge, 1990). Management's attempt to require organizations or units to have both participative and reflective openness is made even more difficult when combining organizations through M&As.

If openness is coupled with a shared vision by both organizations' employees, the predictors of success grow. Especially for units in a post-M&A environment, this shared vision is absolutely essential for the future success of the organization (Clayton, 2010). A shared vision is more than an important driver of and predictor for successful change. For individuals and groups in the midst of transition (turbulent or smooth), shared vision is the first discovery made that provides the foundation for all future transitions and integrations to be successful (Akrivou, Boyatzis, & McLeod, 2006). This shared vision then provides a pathway that both individuals and the organization as a whole can follow toward increasing the probability of a successful merger or acquisition.

Finally, M&As require a positive emotional attractor that helps shape and grow the optimism, strengths, and hopes of individuals or groups toward their aspired ultimate position (Howard, 2006). Individuals with a positive emotional feeling toward the ultimate goal are more able to learn and change, thus providing more value to the organization as a whole (Howard, 2006). Individuals who lack this positive emotional attractor may have a difficult time obtaining employee buy-in, which can lead to other problems associated with the integration of two separate units into one (Losada & Heaphy, 2004).

There are some important lessons that have been learned through failures in integration following M&As as well. One lesson that Badrtalei and Bates (2007) identified in their examination of the Daimler-Chrysler merger was that change is inevitable and that it must be accepted and embraced if the

organization has any hope of moving forward. Management's claims that no changes will occur after the merger are disingenuous and cause employees to lose faith in the competence of their leaders. Management's honesty and competence, as viewed by an organization's employees, is identified as a key factor in the predictability of success (Creasy et al., 2009; Swaminathan et al., 2008). Another lesson Badrtalei and Bates (2007) identified is that timing is key for any M&A process. Their rule of thumb is to double or triple the expected timeframe needed to accomplish integration.

The time it takes to implement M&As is another factor that researchers have studied at length. However, timing also falls short of being a complete predictor on how performance will be affected. Homburg and Bucerius (2006) proposed that managers involved with M&As consciously determine an appropriate pace for the integration to occur. They proposed that the rate should be aligned so that when external relatedness is low and internal relatedness high, speed is beneficial. Conversely, when external relatedness is high and internal relatedness is low, speed acts detrimentally. However, other authors have stated that while the speed is important, it is only important as it relates to fitting the new organization into the new environment (Bragado, 1992).

Finally, it is imperative that the overall goal of the merger or acquisition be understood by all stakeholders prior to its implementation (Swaminathan et al., 2008). If consolidation is the aim of joint bases (U.S. Army, Base Realignment and Closure Division, 2006), then the focus of effort should be on gaining operational efficiencies (Swaminathan et al., 2008). However, if the perceived organizational support for previously separate units seems lacking, the degradation of performance is sure to follow (Creasy et al., 2009).

A significant number of additional M&A theories exist along with additional M&A literature. However, for the purpose of this case study research, we have limited the predictors for success to the previously identified factors: minimizing culture shock, adaptability, openness, shared vision, positive emotional

attractors, and all stakeholders' understanding of the goal. By minimizing culture shock, the process of integration can begin earlier and with better results. Having employees, especially leaders, who are adaptable and open to changes can take new organizations forward in ways otherwise impossible. Also, gaining that shared vision with positive emotional attractors further decreases the probability of failure. Finally, ensuring that every stakeholder understands his or her role through effective communication produces the end product sought after by all, but achieved by few.

3. Change Management

Another important concept required to answer the research questions is the concept of change management. John Kotter is considered by many to have laid the foundation of the change management field when he published *Leading Change* in 1996. In that book, Kotter revealed that only 30% of change initiatives succeed. Twelve years and thousands of scholarly articles later, a McKinsey survey of 3,199 executives from around the world found that only one in three transformation initiatives succeed (Aiken & Keller, 2009). Kotter (1996) studied both successful and unsuccessful attempts at change and identified the lessons learned or predictors for each. Although most literature on change management looks at the private sector lessons learned, some of the concepts can be applied directly to the public sector's contracting organizations. Kotter (1996) identified eight predictors for success and eight critical mistakes to avoid when an organization is undergoing change. Underlying Kotter's work is the basis that the companies are making changes to improve themselves. Whereas for-profit companies introduce changes as they are needed to increase profitability (Schaffer & Thomson, 1992), government agencies often implement changes as directed by either elected or appointed officials. Although all 16 of Kotter's (1996) ideas are valuable, especially in the private industry, not all are necessary when examining government contracting entities. The most applicable ideas include a communicated vision, empowered employees, and a positive culture change.

The importance of a communicated vision remains vital to the successful change of any organization. The success of change programs relies less on the persuasiveness of the individuals leading the change than it does on their understanding of the message (Aiken & Keller, 2009). In a study of those responsible to implement change, Lewis (2000) found that a failure to successfully communicate the vision of change was the most frequently identified category of encountered problems. The failure to adequately communicate the vision by leadership creates uncertainty and ambiguity concerning the true goals of the change. This lack of understanding the goals or vision often leads to the failure of change initiatives (Lewis, 2000). It is critical to communicate before and during change because "failure to share information or to inform people adequately of what changes are necessary and why they are necessary" (Covin & Kilmann, 1990, p. 239) has undesired results.

If the entire organization understands and supports a change effort but the barriers preventing them from changing are not removed, the effort may still fail. "In highly successful change efforts, when people begin to understand and act on a change vision, it is important to remove barriers in their paths" (Kotter & Cohen, 2002, p. 73). Failure to remove these barriers is often not deliberate, but because the formal steps required to remove barriers have not occurred, employees become powerless to support the change effort (Aiken & Keller, 2009). New ideas, best practices, or information sharing are just a few of the possibilities that show the empowerment of the employees. However, in most companies, resistance to empowering employees is system-wide (Bernoff & Schadler, 2010). The DoD surely falls into such a category with its strict regulations and rank structure, but it must recognize that failure to empower the employees may significantly hinder, or even thwart, attempts at successful change.

A culture change is vital to any successful change-management initiative. As previously identified, the role of culture is key to the outcome of organizations

(Buono & Bodwitch, 1989; Buono et al., 1985; Creasy et al., 2009; Hofstede et al., 1990; Sales & Mirvis, 1984; Weber & Camerer, 2003; Wilkins & Ouchi, 1983). Because culture lies at the true soul of any organization, taking an organization through a change in which the culture will be altered (even minimally) will have enormous impacts immediately and in the future. Those impacts can have enormous repercussions, and some authors even argue that a culture that embraces adaptability creates an enormous competitive advantage (Reeves & Deimler, 2011). When change is happening, culture is impacted. However, by ensuring that change is positive and by minimizing the culture shock, the change has a greatly improved chance of being successful.

Change-management theories and ideas have been building upon one another for years as the available information and the changes occurring grow. For the purpose of this case study, we have limited the predictors for success to a communicated vision, empowered employees, and a positive culture change. Both vision and culture are also identified in M&A literature, and the empowerment of employees ties directly to the decentralization identified in the contingency theory of organizational design literature. The importance of these predictors of success is significant because they permeate three distinct fields of study.

4. Strategic Sourcing

The main idea of strategic sourcing is that proactive procurement strategies can be implemented that make organizations more efficient than organizations that utilize reactive, tactical procurement. In a May, 2005 memo, the Office of Management and Budget (OMB) defined strategic sourcing as "the *collaborative* and *structured* process of critically analyzing an organization's spending and using this information to make business decisions about acquiring commodities and services more effectively and efficiently" (p. 1). However, strategic sourcing does not have a standard definition, and its use in academic literature varies widely; it is commonly described as a process that ensures that

all purchasing activities align with the strategic goals of the organization (Zsidisin & Ellram, 2001).

At the most basic level, strategic sourcing focuses on aligning purchasing processes and policies with the corporate strategy. This allows purchasing to be utilized strategically and adds significant value and competitive advantage to the organization that far exceeds an administrative function (Rendon, 2005). To be truly strategic, purchasing must also have some influence in the corporate strategy because it allows the company to take advantage of the market knowledge of the purchasing unit (Burt, Dobler, & Starling, 2003). Strategic sourcing not only involves the internal purchasing function but also includes relationships with suppliers as an integral part of the process. The successful management of these relationships can allow an organization to improve all aspects of its performance, including cost, quality, and responsiveness (Monczka, Trent, & Handfield, 2005).

Kraljic (1983) suggested that a radical change in philosophy is required to change purchasing from a clerical function to a strategic function. He stated that after this transformation takes place, the organization will be better suited to deal with the uncertainties and risks of doing business in a truly global economy. The cross-functional nature of this change goes beyond purchasing; in order to be effective, purchasing must broaden its scope to supply management. Zsidisin and Ellram (2001) brought many of these ideas together by proposing that establishing and maintaining alliances with suppliers is a strategic function for purchasing and supply management (PSM) activities. Not only does it force the purchasing function to align with broader organizational objectives, but it also forces the strategies of the suppliers to be integrated with those of the purchasing organization.

Ellram and Carr (1994) found three distinct areas that the academic literature on strategic sourcing only generally covered. The first area was literature related to the choices the purchasing function had to address.

Stemming from the choices were the application of strategies for these decisions and how these decisions impacted other areas of the organization. They wrote that strategic sourcing decisions are influenced by the current market situation for suppliers and the type of purchase that is being considered (Ellram & Carr, 1994). They also discussed the implications of purchasing decisions for marketing and the requirement for strategic cooperation between marketing and purchasing (Jain & Laric, 1979; Williams, Giunipero & Henthorne, 1994). Hahn, Kim, and Kim (1986) covered strategies for increasing competition, including awarding multiple contracts, relying on short-term contracts, and competitive bidding. It is interesting to note that they found that the uncertainty of these methods can cause increased costs for the suppliers and does not necessarily pay off in the long term. Rossetti and Choi (2005) also warned of the possible consequences of competition between the purchasing organization and its strategic partners.

The second noted area of focus for strategic sourcing literature by Ellram and Carr (1994) was on the process of integrating purchasing into corporate strategy and the role of purchasing in supporting corporate strategy. Spekman (1981) argued that before purchasing is viewed as a long-term strategic asset, the purchasing function must use strategic planning effectively. This example could be made by developing strategic relationships with suppliers that could later be integrated into corporate strategy as purchasing is recognized as a strategic function. Purchasing can directly impact corporate strategy by providing options and insight into the supply market (Browning, Zabriskie & Huellmantel, 1983) and the appropriate management of supplier relationships (Landeros & Monczka, 1989). Ellram and Carr (1994) also discussed the importance and potential advantage of having purchasing activities support long-term corporate objectives. The awareness of the long-term plans should lead to efficient resource allocation and short-term improvements, as well as to support for the long-term goals (Chen, Paulraj & Lado, 2004) as long as the awareness of the plans leads to daily operations that support them (St. John & Young, 1991).

The third focus of strategic sourcing literature is the utilization of purchasing as a strategic asset for the organization (Ellram & Carr, 1994). Spekman and Hill (1980) found that while many managers are aware of the potential for better utilizing the purchasing function, high-ranking individuals in purchasing spent too much time on daily operations and not enough time dealing with strategic issues so that they did not contribute to success on the strategic level. Another obstacle to the potential contribution of strategic sourcing is that even when purchasing managers believe that they have input into corporate strategy, that input may be disregarded (Farmer, 1981). Van Weele (1984) found that corporate managers' perceptions of purchasing varied widely from being a purely administrative function to being a high-level strategic function. Similarly, the integration of purchasing considerations into the organizational strategy varies widely from company to company. However, the strategic use of purchasing is trending upwards and appears to enhance the competitiveness of firms that do successfully integrate purchasing (Narasimhan & Das, 2001).

Chen et al. (2004) also presented a model that links strategic sourcing to the financial performance of the organization. Choosing to develop relationships with specific, critical suppliers limits the supply base for certain components but allows the firm to work very closely with the chosen suppliers, which actually increases the effectiveness of the supply base (Cousins, 1999). Additionally, adopting a long-term orientation in dealing with suppliers reduces conflict, encourages cooperation, and improves decision-making with imperfect information (Morgan & Hunt, 1994). Because of these impacts, both reducing the supplier base and the adoption of a long-term orientation improve the firm's ability to react to the needs of customers, which encourages repeat business and ultimately improves the financial performance of the firm (Chen et al., 2004).

Other approaches to determining a successful sourcing strategy exist. Kraljic's (1983, p. 113) approach to determining the most suitable sourcing strategy using the Purchasing Portfolio Matrix is still the most widely used model

in strategic sourcing (Gelderman & Van Weele, 2003). The central idea of the model is that the appropriate sourcing strategy depends on two primary factors: "(1) the strategic importance of purchasing in terms of the value added by product line . . . , and (2) the complexity of the supply market" (Kraljic, 1983, p. 110). The strategic importance of purchasing is determined based on the potential impact that savings or overruns could have on profitability. For instance, if a single raw material made up almost all of the cost of a product, the potential gain or damage is very significant for that product, and the strategic importance of purchasing would be high. The complexity of the supply market is assessed by using factors such as scarcity, availability of substitutes, barriers to entry, the pace of technological change, and the degree of rivalry among suppliers (Kraljic, 1983).

All procurements are categorized using the factors mentioned previously, and they receive a high or low rating for each factor. These ratings are then used to determine the most appropriate sourcing strategy (see Figure 1). The categories are strategic (both purchasing importance and supply complexity are high), leverage (purchasing importance is high and supply complexity is low), bottleneck (purchasing importance is low and supply complexity is high), and noncritical (purchasing importance and supply complexity are low; Kraljic, 1983).

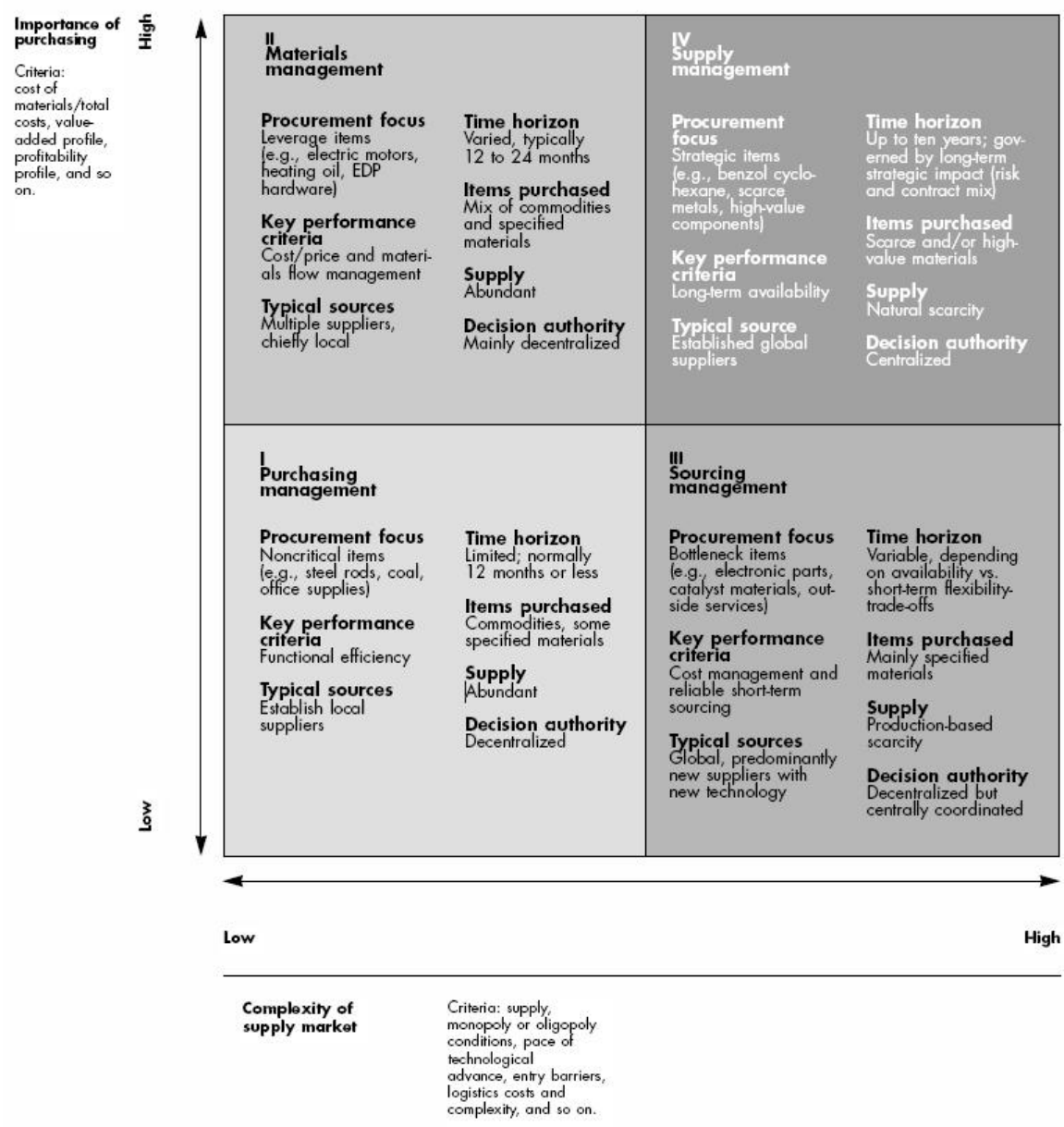

Figure 1. Purchasing Portfolio Matrix
(Kraljic, 1983, p. 111)

Procurements that are classified as strategic lend themselves to extensive market research and developing long-term, cooperative relationships with the suppliers. The buyer–supplier relationship could also be seen as an opportunity to closely monitor the supplier's performance and to promote continuous process improvements. Bottleneck procurements require reliable suppliers; thus,

thorough market research is essential. Purchase of some safety stock may be necessary to absorb some delays, but advanced planning may be able to preclude this issue. Leverage procurements allow buyers to exploit their position and the competitive market for favorable terms and volume discounts for large quantities. Noncritical items should be handled in the most efficient manner possible while ensuring that the supplier is still providing a good product at a good price (Kraljic, 1983).

The simplicity of Kraljic's (1983) approach allows any purchasing organization to easily develop appropriate sourcing strategies for many types of goods and services. Ratings are not always simply high or low but can fall anywhere on a continuum; an appropriate strategy can be determined from the combination of the purchasing importance and supply complexity. Supply, demand, and organizational priorities change over time, and this can impact a procurement's location on Kraljic's model; thus, the chosen approach should be periodically reviewed (Kraljic, 1983).

Strategic sourcing offers the opportunity for greater efficiency through economies of scale and lower transaction costs, as well as the opportunity for product improvement through buyer–supplier relationships and PSM. The academic literature shows the importance of strategic sourcing and its potential to impact corporate strategy and firm performance (Chen et al., 2004), as well as several barriers that have prevented the successful application of strategic sourcing. The Kraljic (1983) Purchasing Portfolio Matrix provides an easy way to determine appropriate sourcing strategies for numerous goods and services. This information provides the theoretical background for strategic sourcing, as well as many lessons from earlier implementation. While the DoD's ability to implement strategic sourcing is limited by other statutory policy considerations such as competition requirements and small business goals, the literature clearly shows that strategic sourcing goes far beyond the consolidation of contracts. For example, strategic sourcing also includes early supplier involvement in product

design and innovation, supplier development, supply base optimization, supplier relationship and performance management, strategic cost management, and electronic procurement (including reverse auctions). For joint basing, some efficiencies are expected through requirement consolidation, but there is also significant potential for value to be realized by ensuring that all available information is used to support procurement decisions that align with the priorities for the joint base.

III. Methodology

A. Research Design

Because no literature or survey exists that perfectly fits the goals of this research, the use of a case study was required. Yin (2009) explained that a case study is an experiential and observational investigation into a recent circumstance within the environment in which it naturally occurs. Yin (2009) proposed that the primary attribute that makes the case study approach beneficial is the ability to consider the full variety of evidence. This evidence could include interviews, observations, and documents and is limited only by the availability of data. Yin (2009) recommended using the case study approach when investigating recent or ongoing occurrences that are beyond the control of the researcher, or in other words, when experimentation is impossible. The case study approach is ideally suited to address questions about what, how, and why the investigated event occurred.

In this case study, we used a three-pronged approach to find the changes that occurred to the contracting units since joint basing. First, we conducted interviews with individuals associated with the contracting units, including customers, via telephone and e-mail and in person. Second, we gathered archival records while on-site at JBSA and JBLM, including organizational structure charts, guidance letters, and communication plans. Finally, we observed first-hand exchanges that occurred both internally and externally to the contracting units.

The case study approach allowed us to study many areas of the contracting units from various perspectives. For example, we studied contracting from the perspective of the for-profit sector through academic literature, the federal government through GAO reports, the DoD through the BRAC reports, and the people who actually implemented joint basing through interviews and

observation. Yin (2009) stated that the greatest asset of case study research is the ability it gives researchers to consider all of the evidence, including what may not be available in a purely archival study. In order to thoroughly scrutinize the process of joint-basing contracting offices, we reviewed two separate units, an approach that Eisenhardt (1989) validated.

The first data collection method we used entailed conducting interviews at JBSA and JBLM. We individually recruited the directors and commanders of the contracting organizations to participate in the study because they obviously play a key role in the unit. Next, we asked flight commanders, along with other contracting professionals and including warranted contracting officers, whether they wanted to participate in the study. Finally, we sought the input of the internal customers of the contracting units on the process of joint basing. We developed the interview questions to help answer our research questions. Both we and our advisors scrutinized the interview questions and revised them on multiple levels. A copy of the final interview protocol asked during the interviews is attached in the appendix. The interviews were audio recorded, transcribed, and verified. A total of 35 interviews occurred at JBSA, which transcribed into 231 pages, whereas JBLM had a total of 19 interviews transcribed into 277 pages. This multi-layered approach adds validity to the study and also helped us to identify patterns in the interviews.

The second method of data collection occurred while on location conducting interviews. After the interviews, we collected written information available at each squadron. JBSA provided 26 documents, including five different organizational charts, user guides, squadron operating instructions, customer instruction briefings, mission briefings, strategic sourcing information, and spend data for JBSA. JBLM provided 32 documents, including five different organizational charts, the final memorandum of agreement between the bases, the operation order for the consolidation, the implementation plan for the contracting consolidation, a flow chart for the submission of requirements, a

Government Purchase Card (GPC) transition plan, the cost performance visibility framework, and guidance and instructions from various levels. Some interview questions directly addressed this collection of records, but we sought all available unit instructions. The first figures we sought were the organizational structure charts for the pre- and post-consolidation of each unit. These charts are telling pictographs that acted as the basis for our evaluations of governance structures. Next, we requested guidance letters or unit-level direction to give a clearer understanding of how the processes had changed since the consolidation had occurred. Finally, we sought communication plans so that we could examine any differences in how information exchanges occurred; however, neither base had a written communication plan.

The final method we used for collecting information was observation. We conducted first-hand observations of the subjects we interviewed and of the contracting unit's daily. These observations included body language during interviews, as well as contracting unit employees' actions throughout the day. We reached no conclusions based on these observations.

B. Data Collection

Before the data collection process could begin, we received approval to proceed from the Naval Postgraduate School's Institutional Review Board (IRB) for the protection of human subjects. The IRB assesses the risks and benefits of proposed research to minimize negative impacts to individuals. The IRB executed a complete review of the interview questions, interview consent form, audio consent form, recruitment materials, and commanding officer approval letters. We traveled to JBSA and JBLM to collect the data in face-to-face interviews from June 13 to 17, 2011. The interviews we conducted electronically occurred as late as July 6, 2011.

We made a deliberate attempt to interview an appropriate mix of leadership, contracting personnel, and customers. Because JBSA consists of

three distinct contracting offices and JBLM consists of only one contracting office, we conducted more interviews at JBSA than at JBLM. Additionally, JBSA employs nearly triple the total number of contracting personnel that JBLM employs. Besides attempting to interview an appropriate mix of leaders, contracting personnel, and customers, we also attempted to interview contracting employees and customers with different experiences. The customers interviewed at JBSA included civil engineering, communications, and group leadership who provided information on many of the group functions they oversee. The customers interviewed at JBLM included personnel from the fire department, public works, community service, finance, joint integration office, and airlift wing. Table 1 summarizes the number of interviewees and their collected demographics.

Table 1. Demographics of Interviewees

	Number of Interviews	Average Years Functional Experience	Over 20 Years	Under 5 Years	Supervisor	Warranted	Changed Positions	Changed Service
Joint Base San Antonio	35	17.5	15	6	18	16	15	12
Contracting Leadership	6	24.3	4	0	6	2	2	0
Other Contracting Personnel	24	14	7	6	7	14	11	8
Contracting Customers	5	25.8	4	0	5	0	2	2
Joint Base Lewis-McChord	19	24.4	13	0	14	9	8	6
Contracting Leadership	3	23	1	0	2	2	2	1
Other Contracting Personnel	8	19.4	5	0	5	7	5	4
Contracting Customers	8	29.6	7	0	7	0	1	1

C. Analysis

In order to answer our research questions, it was necessary that we analyze the responses of those we interviewed. Because no two interviews were identical and because each individual explained the issues from a different point of view, we used an approach appropriate to capture all of that information. Consistent with Ellram (1996), we developed a coding system to capture the information relayed to us by the interviewees based on the information gathered in the literature review section. Then we looked at code co-occurrences because co-occurrences provide evidence of a relationship between the variables. Our initial key consisted of 12 codes using ideas exclusively from the literature review. After the first iteration of coding, the recognition of the need for additional

codes surfaced. The pattern of an iteration of coding followed by the recognition of a need for additional codes continued until the final key evolved. Table 2 lists the initial codes and the final codes.

Table 2. Interview Coding Key

Initial Key	
Formalization	A
Decentralization	B
Adaptability	C
Openness/Willingness to Change	D
Feedback	E
Task Uncertainty	F
Culture	G
Shared Vision	H
Positive Emotional Attractors	I
Goal/Vision	J
Strategic Sourcing	K
Contract Consolidation	L
Final Revised Key	
Efficiencies	A
Decentralization	B
Adaptability	C
Openness/Willingness to Change	D
Feedback	E
Task Uncertainty / Ambiguity	F
Communication	G
Culture	H
Shared Vision & Goals	I
Strategic Sourcing	J
Contract Consolidation	K
Conflict	L
Unit Consolidation / Co-location	M
Positive/Enabler	N
Negative/Barrier	O

The coding system helped us identify concepts that predict success for consolidated contracting activities. The concepts emerged from the textual data showing patterns and co-occurrences of codes. As the coding process began, the identified factors proved insufficient to capture the ideas and inputs of respondents. As a result, additional codes were added to adequately capture the

ideas and inputs of all interviewees. The significance of co-occurrences in the codes is that patterns of higher coincidence distinguish themselves as something more than the biased opinion of an individual and indicate a consistent area of interest among the interviewed population. Furthermore, it "strengthens the internal validity of case study findings" (Ellram, 1996, p. 111). In an effort to add further reliability, the interviews were coded first by the author who conducted the interview and then verified by the other author.

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IV. Results

A. Introduction

In the following section, we first examine the differences in organizational structures, identify the significant code co-occurrences, highlight some non-coded significant findings, and then address specific questions and answers asked to interviewees. For the differences in organizational structures, the presentation of JBSA data occurs first, followed by JBLM and the combined data analysis. We use the same pattern of JBSA, JBLM, and a combined analysis for the significant code co-occurrences, non-coded significant findings, and specific questions. We discuss these concepts and analyze the differences in detail in this section.

B. Organizational Structures

The external organizational structures of JBSA and JBLM are diagrammed in Figures 2–5. The diagrams show the external organizational structures of the contracting units at JBSA and JBLM prior to and after consolidation.

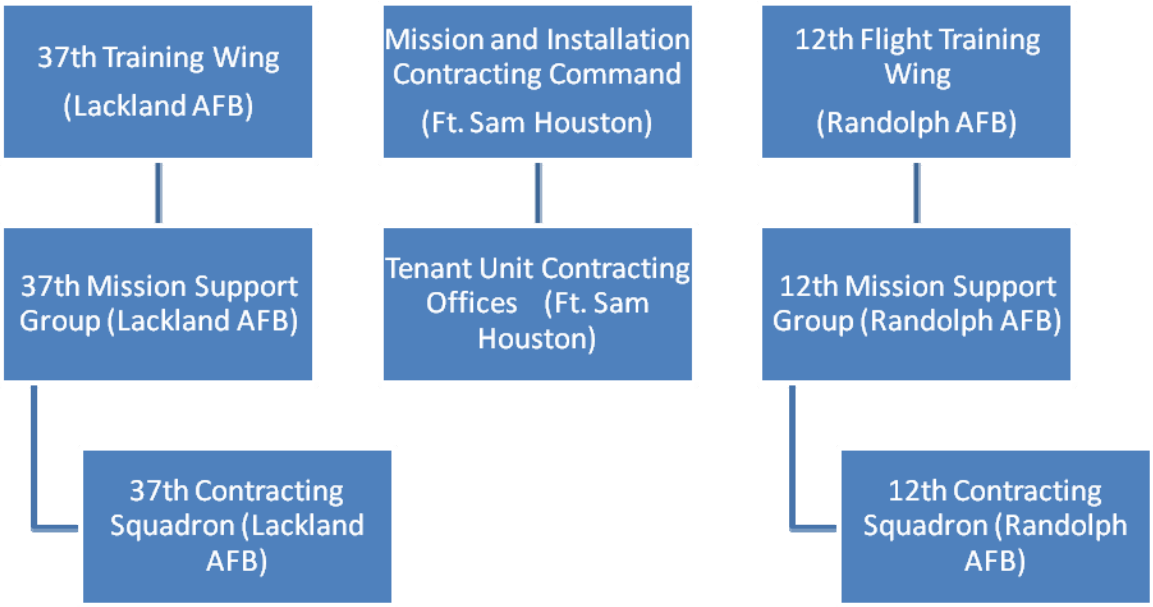

Figure 2. San Antonio Bases' Purchasing Organizational Structures

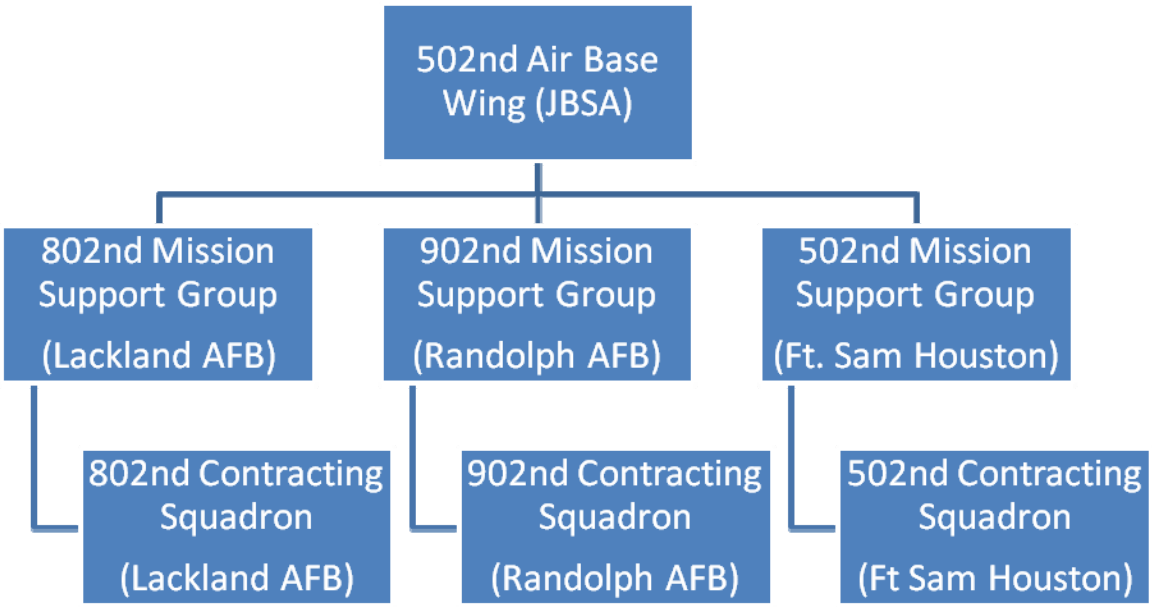

Figure 3. JBSA Purchasing Organizational Structure

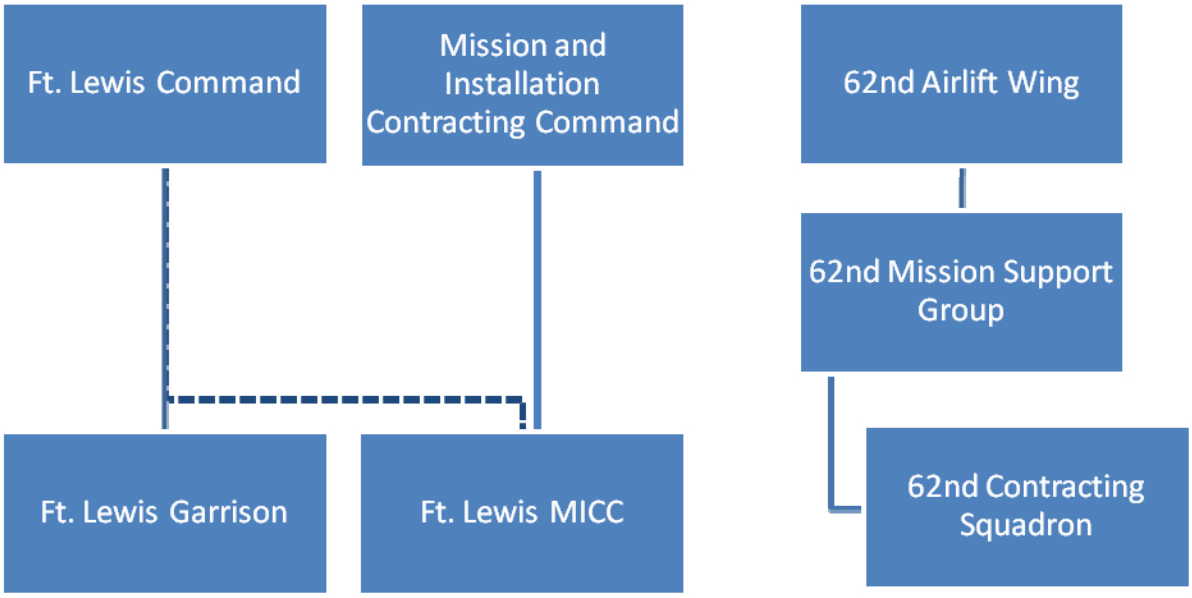

Figure 4. Fort Lewis and McChord AFB Purchasing Organizational Structure

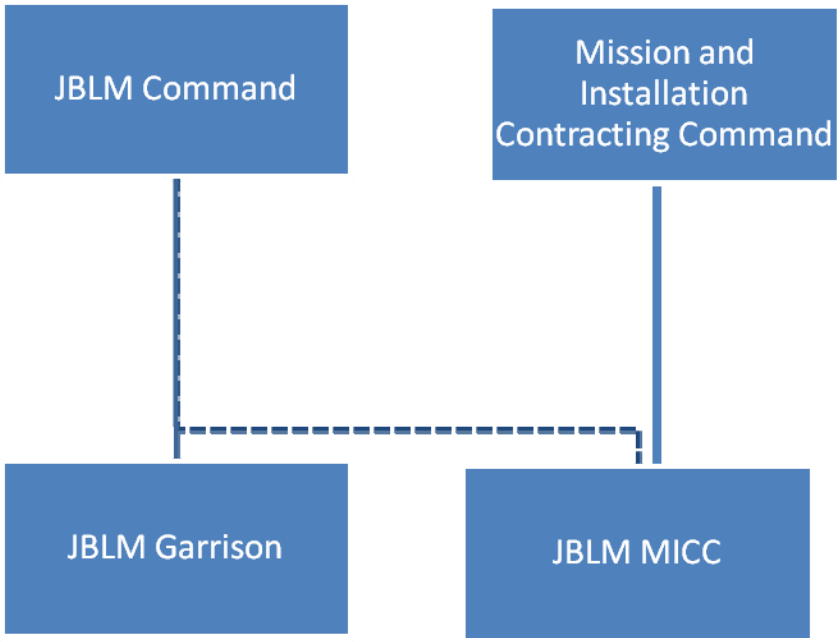

Figure 5. JBLM Purchasing Organizational Structure

The organizational structures changed at both JBSA and JBLM. At JBSA, two of what were once entire training wings in the 37th Training Wing at Lackland AFB and the 12th Flight Training Wing transformed into the support groups of the

802nd Support Group and 902nd Support Group, respectively. The contracting squadrons at Lackland AFB and Randolph AFB made the reorganization with little more than a unit nomenclature change. Conversely, the 502nd Support Group came about through the reorganization and renaming of several Army units on Fort Sam Houston. The Mission and Installation Contracting Command (MICC) and other tenant unit contracting activities continued to exist and operate similarly as they did before consolidation. In addition, an entirely new contracting unit emerged in the 502nd Contracting Squadron, which took some employees from the MICC and other local contracting units during standup. The 502nd Contracting Squadron's proposed role included taking over the base support functions from the MICC and other tenant contracting units on Fort Sam Houston. However, putting this role into practice proved more difficult than initially anticipated, as clear lines of contractual authority remained absent.

At JBLM, the entire base support responsibility transferred to the Army, leaving only direct mission performance-related Air Force units. The transfer occurred by merging all of the Air Force base support functions with their existing Army counterparts. The Air Force contracting office, the 62nd Contracting Squadron, merged with the Fort Lewis MICC to become the JBLM MICC. Civilian positions from the 62nd Contracting Squadron transferred to the MICC, along with additional positions created by converting the military positions to civilian positions. The JBLM MICC provided contracting support for the entire JBLM garrison following the consolidation.

The Air Force and Army each designed its external organizational structures with regards to contracting in a different way. The Air Force used a very hierarchical structure while the Army used a functional structure that took the MICC out of the base chain of command entirely. Although the organizational structures were different, one was not necessarily better than the other. As Donaldson (2001) explained extensively in *The Contingency Theory of Organizations*, there is no single best way to structure organizations. Instead,

each organization must structure itself to best fit with its environment. JBSA and JBLM differ immensely with regard to their environments, and the different structures help explain some of the different experiences between the bases.

Not only were the external organizational structures different, but the internal organizational structures differed as well. Again, neither approach was superior to the other because of the environments' differences (Donaldson, 2001). Each of the JBSA contracting squadrons structured themselves slightly differently, but the general structures remained similar. As seen in Figure 6, the Air Force contracting squadrons typically used a structure with a support flight, a simplified acquisition flight, a flight to support civil engineering, and a flight to support all other customers. As seen in Figure 7, the Army's JBLM MICC generally structured itself around the stages of the acquisition process with a pre-award branch and a post-award branch, as well as a business operations division and a simplified acquisition branch.

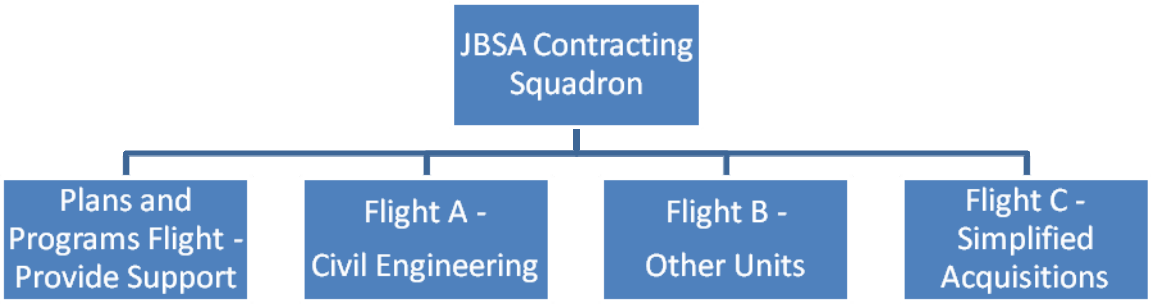

Figure 6. JBSA Typical Organizational Structure

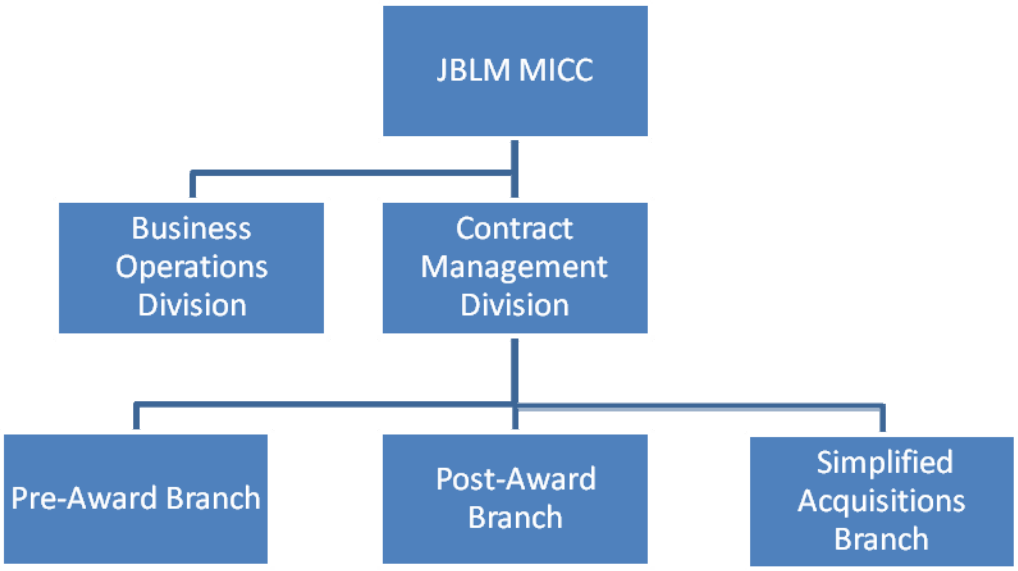

Figure 7. JBLM MICC Internal Organizational Structure

Based on the different organizational structures employed by the Services, there was a need for separate coding for JBSA and JBLM. Coding JBSA and JBLM separately allowed us to see the issues unique to each base's contracting functions because of their different organizational structures. Then, by presenting the coded data together, we were able to see the common issues both bases experienced in both contracting offices, regardless of their structure. Tables 3–5 show the coding outcomes of interviews from JBSA, JBLM, and combined.

Table 3. JBSA Interview Coding Results

	Efficiencies	Decentralization	Adaptability	Openness	Feedback	Task Uncertainty	Communication	Culture	Shared Vision & Goals	Strategic Sourcing	Contract Consolidation	Conflict	Unit Consolidation	Positive/Enabler	Negative/Barrier
Efficiencies		**0**	**0**	**2**	**0**	**2**	**8**	**5**	**2**	**5**	**13**	**4**	**7**	**44**	**64**
Decentralization	**0**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1**	**3**
Adaptability	**0**	**0**		**0**	**0**	**2**	**0**	**4**	**0**	**0**	**1**	**1**	**0**	**2**	**5**
Openness	**2**	**0**	**0**		**0**	**0**	**3**	**0**	**0**	**5**	**2**	**2**	**0**	**8**	**3**
Feedback	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**	**0**	**2**	**2**	**0**	**8**	**5**
Task Uncertainty	**2**	**0**	**2**	**0**	**0**		**24**	**0**	**2**	**0**	**0**	**21**	**1**	**1**	**29**
Communication	**8**	**0**	**0**	**3**	**0**	**24**		**9**	**2**	**0**	**0**	**20**	**0**	**26**	**42**
Culture	**5**	**0**	**4**	**0**	**0**	**0**	**9**		**4**	**2**	**1**	**19**	**0**	**4**	**20**
Shared Vision & Goals	**2**	**0**	**0**	**0**	**0**	**2**	**2**	**4**		**0**	**1**	**2**	**0**	**3**	**5**
Strategic Sourcing	**5**	**0**	**0**	**5**	**0**	**0**	**0**	**2**	**0**		**4**	**0**	**2**	**11**	**3**
Contract Consolidation	**13**	**0**	**1**	**2**	**0**	**0**	**0**	**1**	**1**	**4**		**0**	**1**	**9**	**4**
Conflict	**4**	**0**	**1**	**2**	**2**	**21**	**20**	**19**	**2**	**0**	**0**		**1**	**1**	**27**
Unit Consolidation	**7**	**0**	**0**	**0**	**0**	**1**	**0**	**0**	**0**	**2**	**1**	**1**		**13**	**6**
Positive/Enabler	**44**	**1**	**2**	**8**	**3**	**1**	**26**	**4**	**3**	**11**	**9**	**1**	**13**		
Negative/Barrier	**64**	**3**	**5**	**3**	**5**	**29**	**42**	**20**	**5**	**3**	**4**	**27**	**6**		

Table 4. JBLM Interview Coding Results

	Efficiencies	Decentralization	Adaptability	Openness	Feedback	Task Uncertainty	Communication	Culture	Shared Vision & Goals	Strategic Sourcing	Contract Consolidation	Conflict	Unit Consolidation	Positive/Enabler	Negative/Barrier
Efficiencies		**1**	**2**	**2**	**2**	**3**	**6**	**5**	**1**	**0**	**13**	**0**	**7**	**18**	**20**
Decentralization	**1**		**1**	**1**	**1**	**0**	**4**	**2**	**0**	**0**	**3**	**0**	**0**	**1**	**10**
Adaptability	**2**	**1**		**4**	**0**	**4**	**10**	**2**	**2**	**0**	**2**	**1**	**0**	**4**	**9**
Openness	**2**	**1**	**4**		**1**	**1**	**6**	**2**	**1**	**0**	**2**	**0**	**0**	**1**	**5**
Feedback	**2**	**1**	**0**	**1**		**1**	**5**	**1**	**1**	**0**	**0**	**0**	**1**	**1**	**0**
Task Uncertainty	**3**	**0**	**4**	**1**	**1**		**20**	**8**	**1**	**0**	**1**	**5**	**1**	**2**	**11**
Communication	**6**	**4**	**10**	**6**	**5**	**20**		**17**	**6**	**0**	**3**	**12**	**0**	**5**	**21**
Culture	**5**	**2**	**2**	**2**	**1**	**8**	**17**		**9**	**0**	**0**	**8**	**4**	**1**	**5**
Shared Vision & Goals	**1**	**0**	**2**	**1**	**1**	**1**	**6**	**9**		**0**	**0**	**5**	**1**	**1**	**6**
Strategic Sourcing	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**	**0**
Contract Consolidation	**13**	**3**	**2**	**2**	**0**	**1**	**3**	**0**	**0**	**0**		**2**	**0**	**6**	**5**
Conflict	**0**	**0**	**1**	**0**	**0**	**5**	**12**	**8**	**5**	**0**	**2**		**2**	**0**	**5**
Unit Consolidation	**7**	**0**	**0**	**0**	**1**	**1**	**0**	**4**	**1**	**0**	**0**	**2**		**4**	**5**
Positive/Enabler	**18**	**1**	**4**	**1**	**1**	**2**	**5**	**1**	**1**	**0**	**6**	**0**	**4**		
Negative/Barrier	**20**	**10**	**9**	**5**	**0**	**11**	**21**	**5**	**6**	**0**	**5**	**5**	**5**		

Table 5. Combined JBSA and JBLM Interview Coding Results

	Efficiencies	Decentralization	Adaptability	Openness	Feedback	Task Uncertainty	Communication	Culture	Shared Vision & Goals	Strategic Sourcing	Contract Consolidation	Conflict	Unit Consolidation	Positive/Enabler	Negative/Barrier
Efficiencies		1	2	2	2	5	14	10	3	5	26	4	14	62	84
Decentralization	1		1	1	1	0	4	2	0	0	3	0	0	2	13
Adaptability	2	1		4	0	6	10	6	2	0	3	2	0	6	14
Openness	2	1	4		1	1	9	2	1	5	4	2	0	9	5
Feedback	2	1	0	1		1	5	1	1	0	2	2	1	9	3
Task Uncertainty	5	0	6	1	1		44	8	3	0	1	26	2	3	40
Communication	14	4	10	9	5	44		26	8	0	3	32	0	31	62
Culture	10	2	6	2	1	8	26		13	2	1	27	4	5	25
Shared Vision & Goals	3	0	2	1	1	3	8	13		0	1	7	1	4	11
Strategic Sourcing	5	0	0	5	0	0	0	2	0		4	0	2	11	3
Contract Consolidation	26	3	3	4	2	1	3	1	1	4		2	1	15	9
Conflict	4	0	2	2	2	26	32	27	7	0	2		3	1	32
Unit Consolidation	14	0	0	0	1	2	0	4	1	2	1	3		17	11
Positive/Enabler	62	2	6	9	9	3	31	5	4	11	15	1	17		
Negative/Barrier	84	13	14	8	5	40	62	25	11	3	9	32	11		

C. Interview Coding Results

Tables 3–5 identified patterns and code co-occurrences found throughout the interviews. Significant co-occurrences (defined as more than 20) are highlighted in Table 5. After coding, areas of higher coincidence co-occurrences provided evidence of relationships between the variables, and higher co-occurrence frequencies emerged from the others as concepts of significant importance based on the interviewees' responses to interview questions. Furthermore, comparing the responses with the organizational structure of each joint base allowed a more in-depth understanding of how the units operate.

1. Consolidation and Efficiencies

The first significant area of code co-occurrence occurred between contract consolidation and efficiencies. JBSA individuals recognized that efficiencies were achievable through contract consolidation because of fewer contracts,

fewer suppliers to manage, and economies of scale. JBSA even had joint-base meetings where individuals from multiple functional areas gathered to identify potential contract consolidation efforts. Although opportunities had been identified, the execution of the contract consolidation efforts has been extraordinarily slow. One JBSA employee who played a role in those meetings stated, "I don't know where they are on that. I had hoped they would be pretty far along" (personal communication, June 15, 2011) when asked about their progress. Unfortunately, of the 14 opportunities initially identified at JBSA, only three had manifested into any kind of Request for Proposal (RFP) or contract award at the time of the interviews. Although the execution occurred slowly for the initial opportunities, plans for the remaining opportunities existed. The contracting and functional squadron commanders worked together to determine optimal timing and technical viability for contractual actions on the remaining opportunities.

Coding of interviews at JBLM also showed significant co-occurrence of contract consolidation and efficiencies. Many interview subjects saw potential efficiencies that could be gained by combining contracts that currently support Fort Lewis and McChord Field separately into single contracts that cover the entire joint base (personal communication, June 13, 2011; June 14, 2011). One JBLM contracting employee stated, "Having two military installations so close together where you could have one contract to take care of the grounds maintenance, you can take care of the entire installation instead of having two contracts to do the same type of work. That is my opinion, that the benefits to contracting would be cost savings" (personal communication, June 13, 2011). Most interviewees did not believe that any potential efficiency had been realized at the time of the interviews (personal communication, June 13, 2011; June 15, 2011). Employees identified various types of potential efficiencies, including a reduced contract administration burden (personal communication, June 14, 2011), savings on contractor overhead that could be passed on to the government (personal communication, June 14, 2011), and quantity discounts

that could lead to a reduction in the overall contract price (personal communications, June 13, 2011[1]). Another JBLM contracting employee stated that efficiencies would likely come from "the administrative costs of doing a contract because you are not doing two contracts, you are doing one" (personal communication, June 14, 2011).

2. Efficiencies and Enablers

The next significant area of co-occurrence also dealt with efficiencies as a positive influence or enabler of joint-base success. One reason for the significantly higher occurrence of this co-occurrence compared to others was that a direct question (Question 7) was asked to leadership, contracting personnel, and customers about the efficiencies because of joint basing currently and any that would be found in the future. Many JBSA employees indicated a very high expectation that efficiencies would be found in the future. One JBSA interviewee indicated that although no savings have been seen yet, "we're striving for efficiency" and confident that more would materialize in the future (personal communication, June 15, 2011). This answer abounded throughout most of the interviews conducted at JBSA, and those believing this far outnumbered others, two-to-one (personal communication, June 13, 2011; June 14, 2011; June 15, 2011).

Many of the co-occurrences of efficiency and enablers at JBLM also focused on future contract consolidation. Numerous subjects stated that the joint base was too immature to produce efficiencies at the time of the interviews, but most were optimistic that real benefits would occur as processes adjusted to the joint-base environment (personal communication, June 13, 2011; June 14, 2011). Other subjects saw positive efficiencies from improved levels of service (personal communication, June 14, 2011; June 15, 2011) and reduced redundancy of effort

[1] This information came from three different interviews conducted on June 13, 2011.

(personal communications, June 14, 2011[2]). An example comes from a member of the JBLM Fire Department, who noted that one "contract went away and now it became an in-house deal. In fact, the quality of service got better" (personal communication, June 15, 2011). However, the need to hire additional vehicle maintenance personnel mitigated the savings from eliminating the contract. These types of efficiencies provide value that may not be measured in immediate monetary savings, but may lower the total cost of ownership (TCO) or improve mission readiness. TCO considers all costs of an acquisition, including procurement costs, operating costs, and disposal costs.

3. Efficiencies and Barriers

The negative or barrier views of efficiencies occurred significantly more than the positive feelings of efficiencies at JBSA. Again, because we posed this direct question to leadership, contracting personnel, and customers, the high frequency of co-occurrence is not surprising. JBSA personnel indicated almost unanimously that, to date, no efficiencies had been gained. For some, an even more negative view of joint basing emerged as one JBSA employee stated, "I think that there is potential for some isolated efficiencies, but I think the result is actually perhaps more inefficiency" (personal communication, June 13, 2011). Even some of the JBSA leadership, when asked directly whether any efficiencies had been found or would be found in the future, responded with a very direct, "no" (personal communication, June 15, 2011). Even the JBSA customers chimed in by saying, "Unfortunately, so much money, primarily in man-hours, but also in trailer rental, equipment, and building renovation, has already been spent to stand up the AF contracting organization, that we will never ever even break even overall, much less save money" (personal communication, June 14, 2011).

At JBLM, there were also more co-occurrences of efficiency and negativity than of efficiency and positivity, but the numbers were almost even. Multiple

[2] This information came from two different interviews conducted on June 14, 2011.

contracting customers stated that joint basing has negatively impacted the quality of the service received as well as increased the required lead-time for procurements (personal communications, June 15, 2011[3]; June 17, 2011). One customer stated, "Honestly, the customer support is less than what we had before. Some of it is just procedural changes. That is pretty easy to deal with; you just have to understand what they need, but the customer service has gone down" (personal communication, June 15, 2011). Another significant barrier to efficiency observed repeatedly was the dominance of Army processes over Air Force processes without considering which process was better (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). This observation was almost exclusively from subjects who were, at the time of the interview, current or former Air Force employees and who were fairly new to the Army processes. One stated the following:

> We were preached from the beginning that we would . . . take the best program, be it Air Force or Army, and whatever was the best answer that was what we were going to use across the board, and that was a great idea. I just haven't seen it in practice yet. It has been time after time that 'no, we are going to do it the Army way' and . . . it is hard to watch something that we know was efficient or cheaper or easier disappear. It is frustrating. (personal communication, June 15, 2011)

Another said the following:

> I feel like sometimes the Army is not as efficient as the Air Force was in their contracting, and I think there could be some cost savings there as well. . . . There seems to be a lot more layers for reviews of documentation with contract awards and things like that than the Air Force has on their side, which obviously takes time. (personal communication, June 13, 2011)

4. Task Uncertainty and Communication

Task uncertainty and communication was another area in which there were a high number of co-occurrences. The vast majority of this co-occurrence

[3] This information came from two different interviews conducted on June 15, 2011.

was found in interviews that occurred at the 502nd Contracting Squadron. The main reason for the high co-occurrences at this location was that the squadron did not exist prior to the joint-base effort. There were no established processes, checklists, or other directives in existence for the squadron prior to its creation on October 1, 2010. With no established communication methods or directives in place at time of standup, the task uncertainty experienced by contract personnel and customers was very high. One JBSA leader indicated that both the contracting personnel and customers were "hoping they were going to find somebody that was going to define, 'What am I supposed to do?'" (personal communication, June 14, 2011). The task uncertainty and communication breakdowns were such a common theme for the 502nd Contracting Squadron that with some of the interviewees, there was little else that needed explanation (personal communication, June 14, 2011).

The co-occurrence between task uncertainty and communication was among the most common co-occurrences of codes at JBLM. There were two major subjects that caused this pattern. First, former Air Force employees who transitioned to the Army and current Air Force Employees who work closely with the Army found training to be significantly lacking (personal communication, June 13, 2011; June 14, 2011; June 15, 2011[4]). This finding was identified in interviews with both contracting personnel and customers, but was especially clear from the customers. One customer stated that "the single biggest thing is for them to provide training because the basics are there but . . . they want paperwork written differently. If I could back history up, they would have started their transition process sooner. . . . They didn't start it with the customers at all" (personal communication, June 15, 2011). The second major subject at JBLM was strategic communication about the joint-basing process. Many respondents indicated that there was an obvious effort to communicate all available

[4] This information came from two different interviews conducted on June 15, 2011.

information to the base population, but much of the information that was desired was not available (personal communication, June 14, 2011; personal June 15, 2011; June 16, 2011). A common complaint was that while strategic guidance was given, there was no direction on what processes needed to change or how to implement the guidance (personal communication, June 14, 2011; June 15, 2011; June 16, 2011). An affected JBLM employee said the following:

> I think that the general picture was communicated fairly well of what they thought was going to happen and probably what they knew was happening. The communication breakdown was above the base level. We got very little from OSD and anybody that had to do with joint basing. When you shared relationships with other installations that were going through joint basing, it was different there because they were on their own also. I just felt that we were all on our own at the base level and we kind of designed this the best we could without guidance. (personal communication, June 15, 2011)

5. Task Uncertainty and Barriers

Another significant co-occurrence was task uncertainty as a barrier or negative impact. This idea is directly in line with the literature review section because task uncertainty is a barrier to effective consolidation efforts (Gresov, 1990). At JBSA, this idea was repeatedly reinforced as a significant number of employees at the 502nd Contracting Squadron restated their negative views of the ambiguity that surrounded the creation of their squadron (personal communication, June 14, 2011). One contracting employee expressed frustration: “Everyone hasn’t captured their role from the customer on over to us. . . . Things are confusing and people are frustrated” (personal communication, June 14, 2011). Others complained because in nearly 10 months of existence at the time of the interviews, there seemed to be even more ambiguity about some things than there was before (personal communication, June 14, 2011).

Task uncertainty co-occurred with negativity numerous times during JBLM interviews. The pattern was similar to task uncertainty and communication in that they focused around the lack of training in Army procedures (personal

communication, June 15, 2011) and the lack of actionable information on the joint-basing process (personal communication, June 15, 2011). These were seen as barriers because they prolonged the transition period and prevented workers from performing efficiently when JBLM reached its FOC (personal communication, June 14, 2011). A JBLM contracting customer stated that "I think they [the MICC] should step forward with some customer training. They have not offered that yet to step out and say, 'Here is who we are and here is how we operate' and let us understand what they do and let our people ask questions" (personal communication, June 15, 2011).

6. Task Uncertainty and Conflict

The final significant co-occurrence of task uncertainty was with conflict. At JBSA, the greatest cause of conflict seemed to stem from the uncertainty surrounding the creation of this entirely new contracting squadron (personal communication, June 14, 2011). At Fort Sam Houston specifically, the conflict naturally grows because a customer's need can go unfilled due to the uncertainties that exist on the base (personal communication, June 14, 2011). In response to a question concerning why uncertainty still exists nearly a year after consolidation, a JBSA contracting employee responded, "There are, our best guesstimate, ten other contracting offices on this post. We have never had the opportunity to sit down and discern who is supposed to be doing what . . . and we have never had the opportunity to sit down and everyone explain what their role is" (personal communication, June 14, 2011). With up to ten different purchasing offices on only Fort Sam Houston and unclear lines of purchasing authority drawn, it becomes obvious why uncertainty exists and leads to conflict. Fort Sam Houston had numerous contracting units prior to consolidation to support the wide array of missions and numerous tenant units assigned. Since consolidation, all of the contracting units continued to exist in addition to the creation of the 502nd Contracting Squadron. The 502nd Contracting Squadron gained responsibility for base support, but determining exactly what base support entailed caused even more confusion as many requirements bounced between

the MICC and the 502nd Contracting Squadron before responsibility was determined. One JBSA customer explained the task uncertainty and conflict by stating, “Everything we have learned about how the Air Force does contracting was learned exquisitely painfully by trial-and-error” (personal communication, June 14, 2011). The uncertainty was no less frustrating to the contracting office, as one employee explained that the major source of their frustration existed because “the role certainty for our organization should have been clearly defined” (personal communication, June 13, 2011), but was not.

In contrast to JBSA, interviews at JBLM had fairly low co-occurrences of task uncertainty and conflict. There was significant task uncertainty coded in the interviews, but it did not appear to generate much conflict (personal communication, June 13, 2011; June 14, 2011). However, the average experience of personnel interviewed at JBLM was significantly higher than that of personnel interviewed at JBSA. It is possible that the process was better communicated to the base population, and the understanding that everyone was operating in a similarly ambiguous environment forced the majority of people to work cooperatively rather than cause unnecessary conflict (personal communication, June 15, 2011). There is one clear, verifiable difference between the two joint bases—the structure of the consolidations was dramatically different. JBLM combined all contracting personnel into one unit while JBSA used one contracting unit for each mission support group for a total of three. The likely explanation for the difference is that being forced to work together in the same unit actually reduced the conflict experienced when compared to maintaining separate contracting units. There were some instances of conflict, and it was most prevalent in interviews conducted with customers who had their level of contracted service reduced and did not understand the process used to determine the level of service (personal communication, June 14, 2011; June 16, 2011).

7. Communication and Culture

Communication and culture were the next significant instance of co-occurring concepts. JBSA had both contracting personnel and customers who were previously Army employees now serving as Air Force employees (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). As evidenced at JBSA, many employees expressed the differences in the cultures and communication from both an Army and Air Force perspective (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). "There seems to be a lot of inconsistencies between the Army and the Air Force" (personal communication, June 14, 2011), expressed one previously Army, now-Air Force employee. An Air Force employee now working on the Army base mentioned, "I think within their culture a lot of the things that they do and say are driven by position and rank" (personal communication, June 14, 2011). The premise that the Army and Air Force communicate differently because of culture was explicitly and implicitly obvious throughout the interviews, with most respondents indicating that the Army communicates more directly, harshly, and negatively than their counterparts in the Air Force (personal communication, June 13, 2011; June 14, 2011; June 15, 2011).

Interviews from JBLM had more co-occurrences of communication and culture than did the interviews from JBSA. Because the contracting office at JBLM combined the operations of an Air Force unit and an Army unit into a single contracting office while JBSA did not combine offices, it does make sense that the cultural differences of the Services would be more obvious. Many of the co-occurrences of communication and culture came from statements about the difficulty of communicating with people from other Services (personal communication, June 14, 2011[5]; June 15, 2011). Even between contracting personnel, the differences in acronyms, terminology, and contracting processes

[5] This information came from two different interviews conducted on June 14, 2011.

were substantial. A contracting employee made the following statement:“Contracting is not contracting on both sides of the fence. Though we both use the FAR, each organization has its own supplements, and it would have been better to have had some more training on the differences” (personal communication, June 13, 2011). These were not all negative statements; some of them emphasized the importance of ensuring effective communication with those who have a cultural background from a different branch of Service and the potential value of the joint experience (personal communication, June 13, 2011).

8. Communication and Conflict

Not only did communication have a significant co-occurrence with culture, it also had a significant co-occurrence with conflict. Individuals at JBSA highlighted the problems caused by the differences between the Air Force and Army communication styles (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). One JBSA employee claimed that “the Army will come in here and rant and rave and scream and yell . . . while the Air Force customers will come in upset, but they will say, ‘okay, let’s figure this out’ or ‘how can we work through this together?’” (personal communication, June 14, 2011). Another employee pointed out that when working with the Army, “I cannot believe how unprofessional when I go to a meeting that is predominately Army how unprofessional people are to one another” (personal communication, June 14, 2011). The differences in communication led directly to organizational conflict at JBSA, and these differences are still a source of contention for the base (personal communication, June 13, 2011; June 14, 2011; June 15, 2011).

Communication and conflict also frequently coincided in interviews at JBLM. Most of the co-occurrences involved miscommunication (personal communication, June 13, 2011; June 15, 2011) or a lack of communication

(personal communication, June 14, 2011[6]; June 16, 2011). Given the high number of co-occurrences, it was surprising that there were not more instances of task uncertainty and conflict because it could be expected that problems in communication would lead to task uncertainty that would ultimately result in conflict. It is possible that interview subjects implied task uncertainty, but it was not stated clearly enough to code. It is also possible that the difficulties in communication led to immediate conflicts that were solely tied to miscommunication and did not involve task uncertainty.

9. Communication and Barriers

The final significant communication co-occurrence was communication acting as a barrier or in a negative manner. For JBSA, this co-occurrence occurred nearly twice as often as that of any other communication issue. Specifically, the barrier was the lack of clear, specific communication between both individuals and differing information technology systems (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). First, a number of individuals at every level expressed that there was insufficient communication prior to or since the initiation of JBSA (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). In response to the communication of standing up JBSA, one leader responded, “What was the problem, was the understanding” (personal communication, June 14, 2011). Despite good intentions of relaying information by senior leadership, one employee surmised, “They had bigger things; they didn’t worry about contracting” (personal communication, June 13, 2011). Another problem was that the Army and Air Force funding and contracting systems were not connected in a way that allowed them to communicate with one another after the creation of JBSA (personal communication, June 14, 2011). This problem created additional work and was

[6] This information came from two different interviews conducted on June 14, 2011.

described simply as making the process “hectic” (personal communication, June 14, 2011).

The single most common co-occurrence of codes at JBLM was communication and negativity. Communication could be considered negative for multiple reasons, including a lack of communication (personal communication, June 15, 2011), miscommunication (personal communication, June 14, 2011), communicating negative content (personal communication, June 16, 2011), and difficulties with the communication process (personal communication, June 14, 2011). One of the most common communication barriers was a lack of available information (personal communication, June 13, 2011; June 15, 2011). Several people noted that JBLM leadership communicated available information effectively but did not have the detailed information those affected by the joint-basing process desired. Similar to the issues with culture and communication, the inter-Service nature of the transition was also seen as a barrier to consolidation (personal communication, June 16, 2011). One issue that was specifically mentioned repeatedly was the use of acronyms (personal communication, June 13, 2011; June 14, 2011[7]). Both the Army and Air Force use many acronyms, but even identical acronyms can have different meanings (personal communication, June 14, 2011). Similar to JBSA, JBLM also had numerous people mention communication difficulties with finance and contracting computer systems (personal communication, June 13, 2011; June 14, 2011; June 15, 2011).

10. Culture and Conflict

Another significant co-occurrence was between culture and conflict. JBSA experienced extremely high conflict that was likely a function of many different factors. One factor that several interviewees pointed out specifically was the difference in culture between the Army and Air Force (personal communication,

[7] This information came from three different interviews conducted on June 14, 2011.

June 13, 2011; June 14, 2011; June 15, 2011). A previously Army, now-Air Force, JBSA employee described the process as a "hostile take-over" (personal communication, June 14, 2011) in which the Air Force forced its culture on a storied Army base. Conversely, a former Air Force employee now working on the Army base stated, "There is some resentment . . . their perception is—and it is easily understood—that we are here and we are taking over and we are going to change everything, and that certainly is not our intent" (personal communication, June 14, 2011). Although JBSA employees identified culture as a source of conflict, one JBSA leader expressed another view, saying, "With two significantly different cultures, culture could be a barrier or actually a catalyst for growth" (personal communication, June 15, 2011). Unfortunately, because of all of the other issues occurring at JBSA, culture has become a target for blame instead of a catalyst for growth.

JBLM had relatively low levels of culture and conflict coincidence compared to JBSA. This coincidence is similar to the low co-occurrences of task uncertainty and conflict at JBLM when compared to JBSA. The likely explanation is also similar: JBLM contracting personnel work together in one unit while JBSA contracting personnel are in three separate units. Forcing the employees to mix at JBLM may contribute to a reduction in conflict (personal communication, June 13, 2011). Other possible explanations could be differences in leadership, employee experience, and processes used in consolidation. However, similar to JBSA, one former Air Force contracting employee described the whole joint-basing process as a hostile take-over but specifically stated that the contracting consolidation did not seem hostile (personal communication, June 16, 2011).

11. Culture and Barriers

The next significant co-occurrence of codes was between culture and negativity. Conflict and negativity was also identified, but in most instances conflict was viewed as a negative effect (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). At JBSA, the culture was blamed for the

conflict, and because conflict was generally considered negative, many viewed the cultural differences and combinations in a negative light. Specifically, differences in culture between the way the Air Force versus the Army did contracting occurred. Some previously Army JBSA employees felt as though the Army culture "is a lot more flexible on how the customer does their requirements and actually contracts out their stuff and how they spend their money" (personal communication, June 15, 2011). However, Air Force JBSA employees counter the Army claim, saying, "They don't want to follow the rules, and you know it is amazing to me and we see it in the contracts that we got from the Army" (personal communication, June 14, 2011).

Culture and negativity was another area in which JBLM had relatively few co-occurrences compared to JBSA. Again, the obvious difference was the different organizational structures used, but that may not be the only reason behind the differences. In the same way that it may reduce conflict, working in the same unit may promote integration and understanding (personal communication, June 13, 2011). Increased understanding could prevent cultural differences from being obstacles and allow employees with different backgrounds to work together efficiently.

Another possible explanation could be differences in the level of commitment from the Services. One JBLM employee stated that former Air Force employees received briefings indicating that joint basing was a temporary experiment and that the base would split in the near future (personal communication, June 16, 2011). No former Air Force personnel indicated they received this briefing, but the rumor shows a lack of trust between the employees and the joint-base structure. It is also possible that leadership issues lead to the differences instead of the structure. Without the alignment of goals and priorities among the leadership of each entity involved, it is likely that any structure used would fail to overcome cultural barriers to consolidations.

12. Strategic Sourcing and Enablers

The final area of co-occurrences we discuss is between the concepts of strategic sourcing and contract consolidation being positive, or an enabler (combined concepts gives 26; see Table 5). JBSA is currently in the process of implementing both strategic sourcing and contract consolidation ideas (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). The majority of responses to strategic sourcing are positive, and it is viewed as a benefit to all of contracting. One JBSA employee expressed this sentiment by saying, "I think we look at strategic sourcing a little better from the joint-base perspective" (personal communication, June 13, 2011). Despite set-backs with strategic sourcing at JBSA, thus far, a generally positive view of the concept exists.

Strategic sourcing did not co-occur with any other coded concepts during interviews at JBLM. A fundamental part of strategic sourcing is using the purchasing function as a strategic asset, not viewing it as an administrative support function (Ellram & Carr, 1994). In the organizational structure the Army used at JBLM, the JBLM MICC is a tenant organization. It provides support for JBLM but does not fall under the garrison command structure. The organizational structure provides the benefit of avoiding some command influence on the contracting process but also isolates the contracting function and may reduce the likelihood of the contracting office being involved in strategic planning.

13. Non-Coded Concepts

There were two additional, non-coded concepts that appeared mostly independent of other codes but with significant frequency that warrant discussion. The first is that at JBSA, the manner in which personnel recognition awards are determined and handed out has now changed enormously with unforeseen consequences now and in the future. The premise is that winning awards for base-level achievements has now become three times more difficult for both active duty military and civilian personnel (personal communication, June

13, 2011; June 14, 2011; June 15, 2011). This side-effect makes Major Command and Service-wide awards more difficult to win as well. “Now you are taking three bases and you are only getting one award for three bases, whereas the other bases are on their own as a wing” (personal communication, June 15, 2011). One JBSA employee even suggested that because of this added layer for stratification or awards for employees, the best individuals may seek to work elsewhere to further their own careers (personal communication, June 13, 2011).

Manpower issues were the other additional concepts that multiple people mentioned at both JBSA and JBLM (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). Contracting personnel at each JBSA location stated that they needed additional staffing to successfully accomplish their mission. At JBLM, the main concern was vacancies. There were 25 positions transferred to the MICC as a result of joint basing, and only former Air Force civilian personnel transferred while the active duty military did not. The active-duty military positions converted to six civilian positions using an Air Force formula and transferred to the MICC (personal communication, June 13, 2011). Both situations create additional difficulty and stress in addition to the joint-basing consolidation. At JBLM, this is further complicated by the fact that the former Air Force employees are members of a different labor union than the employees who were Army employees prior to joint basing. As a result, employees’ privileges vary, and there is some tension and confusion with office policies and issues (personal communication, June 14, 2011).

D. Selected Questions and Answers

At JBSA, three answers dominated all others in answering the first half of Question 6, shown in Figure 8. They included saving money, finding efficiencies, and fulfilling customer requirements. Since finding efficiencies usually involves saving money (through reduced times, resources, or contract actions), the combined idea of saving dominated answers at JBSA with 23 of 35 respondents

indicating savings equaled success (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). Some respondents indicated that both savings and fulfilling customer requirements defined success, as 12 of 35 interviewees specifically called out meeting customer requirements (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). The responses indicated that the identification of success for contracting in the joint-base environment did not change between contracting personnel, contracting leadership, and customers. No trends existed in identifying changes to make successes happen.

	Question	Contracting Personnel	Contracting Leadership	Customers
Demographic and General Questions				
6	How would you define success for contracting in the joint base environment? What, if anything, would you change to bring about that success(es)?	X	X	X

Figure 8. Excerpt From the Appendix Showing Part of Question 6

At JBLM, the most common definitions of success for joint-base contracting were the consolidation of contracts and gaining efficiencies. Of the 19 people interviewed at JBLM, 14 of them included contract consolidation in their answer, but not all thought that this would lead to significant cost savings (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; June 16, 2011). Many saw the utility of contract consolidation in the reduction of contracting work since redundant contracts could be eliminated, which would allow contracting personnel to put more effort into the remaining contracts and to provide better service to their customers. All respondents who discussed increased customer service believed that it would be more beneficial than the potential cost savings of reducing the contracting workforce based on the lighter workload. Those who thought efficiencies were the main goal for joint basing included cost savings, improved customer service, and administrative savings from fewer contracts. These answers were consistent across all three categories of interviewed personnel, but there were multiple customers who stated that they did not think contracting would change at all or contribute significantly to any

joint-basing successes. There were no trends in recommended changes to bring about success, but some suggestions included increased training, increased guidance on the consolidation process, and ensuring the compatibility of computer systems.

Answers to Question 8, shown in Figure 9, were similar to the answers respondents gave to Question 6. Only three of 35 interviewees gave a starkly different answer between the questions, and all gave answers that directly related to savings in Question 8 (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). Based on these responses, contracting squadrons at JBSA have an obvious perspective that the focus of joint basing is monetary, but none of the interviewees indicated they knew specific savings goals. This coincides in part with some of the main goals of the BRAC, including optimizing efficiency and maximizing the joint utilization of resources.

	Question	Contracting Personnel	Contracting Leadership	Customers
Demographic and General Questions				
8	What do you see as the objectives of joint basing? Do you believe joint basing will achieve its intended objectives? Why or why not?	X	X	X

Figure 9. Excerpt From the Appendix Showing Part of Question 8

The answers provided at JBLM were very different from those provided at JBSA in that very few focused on monetary savings. Only two of the 19 respondents indicated that they believed that monetary savings were a primary objective of joint basing (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; June 16, 2011). Many others said that other various efficiencies, similar to those discussed as answers to Question 6, were the objective of joint basing. Process efficiency by using best practices of the combined units was also discussed as an objective. A couple of people stated that the objective appeared to be to create a joint base and nothing more. This is interesting, as it appears the guidance to the joint bases was simply to create a joint base and not to achieve savings or other efficiencies. The majority of interviewees stated that

it was too early to tell whether or not the joint base will achieve its objectives, but most seem to think that there will be some efficiencies gained.

Very little good news surfaced at JBSA in response to Question 11 (see Figure 10). Only one positive trend existed for the strengths in structure change, and it occurred predominately at the 502nd Contracting Squadron at Fort Sam Houston. A surprisingly high five of eight contracting personnel at the 502nd Contracting Squadron answered this question with the strength being squadron leadership (personal communication, June 14, 2011). The fact that over half of the interviewees would independently identify squadron leadership as a strength speaks volumes to the respect and admiration the contracting personnel had for their contracting leadership. Other individuals at both the 802nd and 902nd Contracting Squadrons also indicated squadron leadership as a strength, but less frequently (personal communication, June 13, 2011; June 15, 2011). Unfortunately, more than half of individuals indicated a weakness of some kind, which buried that one piece of good news. No real trends existed in weakness identification either as 15 unique issues surfaced. Furthermore, 10 individuals across JBSA answered directly that no strengths came because of the changes in structure (personal communication, June 13, 2011; June 14, 2011; June 15, 2011).

	Question	Contracting Personnel	Contracting Leadership	Customers
Governance Structure Questions				
11	What are the strengths and weaknesses to changes in structure?	X	X	

Figure 10. Excerpt From the Appendix Showing Part of Question 11

At JBLM, the majority of interviewees stated that their structure did not change. This was true for all interviewees who were Army employees before joint basing (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; June 16, 2011). The employees who noted differences provided a mix of strengths and weaknesses, and often what one person perceived as a strength, another saw as a weakness. The most common responses indicated that

strengths were the use of separate pre-award and post-award sections within the contracting unit and the fact that the contracting unit is a tenant unit and does not fall under the garrison command structure. Similarly, these were also the most common weaknesses identified. While not an organizational structure issue, several personnel stated that the fact that the entire contracting unit was not together in the same building was a weakness.

At JBSA, Question 13 (see Figure 11) received nearly unanimous answers, indicating a well-defined chain of command (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). However, Question 14 (see Figure 11) split the respondents almost exactly in half with regards to whether the chain of command was still well-defined. The split occurred along the lines of what they considered their chain of command. This surfaced explicitly as many who indicated the chain was no longer well-defined mentioned that the disconnect occurred at the wing level. Those who looked above the squadron and group levels explained the new chain of command as being convoluted or imprecise. One respondent mentioned that the chain of command was well-defined, but only on paper, and definitely not in practice (personal communication, June 13, 2011).

	Questions	Contracting Personnel	Contracting Leadership	Customers
Governance Structure Questions				
13 & 14	Was your chain of command well-defined? Is your chain of command well-defined?	X	X	

Figure 11. Excerpt From the Appendix Showing Part of Questions 13 & 14

Respondents at JBLM were similarly unanimous in stating that their chain of command was well-defined prior to joint basing (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; June 16, 2011; see Figure 12). The JBLM responses differed from JBSA in that they were also unanimous that the chain of command was well-defined after the consolidation. The structure of the chain of command changed significantly for the employees that transitioned

from the Air Force to the Army. The Air Force chain of command followed a typical Air Force structure with the contracting squadron under a mission support group that was subordinate to a wing. Under the Army structure, the contracting office is a tenant unit on the base, and the entire chain of command for contracting above the MICC director is at Fort Sam Houston in San Antonio, Texas.

	Question	Contracting Personnel	Contracting Leadership	Customers
Governance Structure Questions				
15	Did you have a separate chain of command for contracting authority? How did this change after joint basing?	X	X	

Figure 12. Excerpt From the Appendix Showing Question 15

A separation exists between chain of command authority and contracting authority for Air Force individuals. After the standup of JBSA, nothing changed (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). At JBLM, all of the former Air Force employees interviewed stated that prior to joint basing they had two clearly separate chains of command, one for command authority and one for contracting authority (personal communication, June 13, 2011; June 14, 2011; June 16, 2011). This was not as clear on the Army side because both the command authority and contracting authority came from the same organization. Several people stated that they thought that the lines of authority were separate because different people held responsibility for the different areas, although they were in the same organization (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; June 16, 2011). Nobody indicated that they experienced any conflict because of this set-up. The contracting office at JBLM does not directly provide contracting support for its superior command, MICC headquarters.

The 502nd Contracting Squadron at Fort Sam Houston had the most conflict with customers of the three JBSA contracting squadrons (see Figure 13). This increased frequency of conflict evolved naturally as the squadron began operations and changing processes that existed previously. Despite the

increased frequency at the 502nd Contracting Squadron, the answers across all three bases aligned as both Contracting Personnel and Contracting Leadership indicated solving the problem at the lowest level, finding common ground, and meeting mission requirements resolved most conflicts (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). Several interviewees identified a last resort that included elevating the problem to an appropriate decision-making level if no other resolution satisfied both parties.

	Question	Contracting Personnel	Contracting Leadership	Customers
Governance Structure Questions				
18	How do you address problems with customers that are not cooperating?	X	X	

Figure 13. Excerpt From the Appendix Showing Part of Question 18

The methods of dealing with conflict at JBLM were very similar to those used at JBSA. The focus was on dealing with issues at the lowest level but using the chain of command when needed. According to the contracting personnel interviewed, pervasive attitude across the base was that mission accomplishment is clearly the top priority and that cooperation was more productive than conflict (personal communication, June 13, 2011; June 14, 2011). As a result, while the incidence of miscommunication and cultural misunderstandings were high, significant conflict was rare.

Only one contractual process changed because of joint basing at JBSA for the two Air Force base contracting squadrons (see Figure 14). This one change simply added another layer of review for certain contract actions through the wing level. Since the Fort Sam Houston 502nd Contracting Squadron did not exist prior to JBSA, everything changed concerning the contractual processes. At the time of the interviews, the 502nd Contracting Squadron just released a guide for contracting and customers on the process of getting a contract awarded. Some interviewees hoped this guide would finally give both customers and contracting clear direction as the contracting processes seemed in a constant state of

fluctuation from the time of squadron standup through when the interviews occurred (personal communication, June 13, 2011; June 14, 2011; June 15, 2011).

	Question	Contracting Personnel	Contracting Leadership	Customers
Contracting Process Questions				
22	What processes changed because of joint basing? What processes need to change to make joint basing more effective?	X	X	

Figure 14. Excerpt From the Appendix Showing Question 22

At JBLM, the Army processes changed very little (see Figure 15). Two notable changes were that they began accepting Air Force Form 9 funding documents and started using approving officials in the GPC program. These were very minor changes, but the funding document acceptance involved some effort because computer systems did not communicate with each other. The use of approving officials resulted from payment issues with the bank, so it was not actually a policy change due to joint basing (personal communication, June 13, 2011). The former Air Force employees saw significant process changes as they transitioned to the Army (personal communication, June 13, 2011; June 14, 2011; June 16, 2011). One major change was the transition from the Air Force's cradle-to-grave contracting to the Army's use of pre-award and post-award sections. Another significant change was that more reviews were required, starting at lower dollar values. This increased the lead-time on awarding contracts and was a significant complaint from Air Force customers. There was no consensus on process changes that would make the joint base more effective, but most of the former Air Force employees said that additional training on the Army processes before and during the transition would have helped the consolidation go more smoothly.

	Questions	Contracting Personnel	Contracting Leadership	Customers
Contracting Process Questions				
24 & 25	What was the process flow of receiving requirements prior to joint basing? What is the process flow of receiving requirements since joint basing?	X	X	

Figure 15. Excerpt From the Appendix Showing Parts of Questions 24 & 25

The process of receiving requirements prior to joint basing at JBSA only existed at the two Air Force base contracting squadrons. The process remained unchanged as unchanged customers identified a need, described it according to base procedures set forth by the contracting squadrons, and brought it to the contracting squadrons for action (personal communication, June 13, 2011; June 15, 2011). Fort Sam Houston's 502nd Contracting Squadron had no requirements prior to its creation, and a standardized process flow of receiving requirements did not exist. Each requirement came in through different channels in a myriad of forms to the contracting office (personal communication, June 14, 2011). Again, with the creation and distribution of the contracting process guide, many hoped the current senselessness would end.

The process of receiving requirements at JBLM was comparable to the process used at the Air Force base contracting squadron at JBSA described above and similarly, the process was already in place prior to consolidation. The only significant difference was that the Air Force customers found the guidance on the process of submitting requirements from Army contracting office lacking (personal communication, June 15, 2011). This included assistance with developing statements of work and understanding what documentation was required. The response from Army personnel was that the Air Force contracting office had been doing too much of the customer's work before the consolidation (personal communication, June 15, 2011; June 16, 2011). With the exception of the level of guidance and assistance, there were no significant changes in the requirement submission process due to consolidation.

Acquisition planning and acquisition priorities addressed in Questions 27 through 30 (see Figure 16) showed two facts at JBSA. First, acquisition planning and prioritization authority was unknown. Contracting personnel and contracting leadership believed the responsibility rested on the contracting squadron, functional commanders, group leadership, or wing leadership. Second, every individual who believed the responsibility for acquisition planning and prioritization rested above the squadron level since joint basing also indicated that the identified level of planning and prioritization was not effective (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). JBSA contracting individuals did not see any value added in the involvement of group or wing leadership in acquisition planning or prioritization. Some of the interviewees in contracting felt as though the wing leadership commanded was too far removed from the base to perform effective acquisition planning or prioritization, while others felt as though they lacked the expertise to perform acquisition planning or prioritization for the base (personal communication, June 13, 2011; June 14, 2011; June 15, 2011).

	Question	Contracting Personnel	Contracting Leadership	Customers
Contracting Process Questions				
27 - 30	At what level was acquisition planning occurring prior to joint basing? At what level does acquisition planning occur since joint basing? Who determined acquisition priorities prior to joint basing? Was it effective? Who determines acquisition priorities since joint basing? Is it effective?	X	X	

Figure 16. Excerpt From the Appendix Showing Parts of Questions 27–30

Prior to consolidation at JBLM, both the Army and Air Force contracting offices used similar procedures for acquisition planning. Each office developed an annual plan that projected major acquisitions they anticipated during the coming year. The expected requirements were then given to a certain section of the contracting office for award. The Army had a specific pre-award section that awarded all of its requirements while the Air Force distributed requirements to sections based on the requirement and customer (personal communication, June 13, 2011). For both Services, the section to which acquisitions were assigned

established priorities, and both Services found this method to be adequate (personal communication, June 13, 2011; June 14, 2011). Since consolidation, the only change has been that all requirements are processed in the Army manner because the Air Force office no longer exists. The consolidation happened recently, so it may be too early to determine whether or not it is successful, but no respondents indicated any significant problems with the acquisition planning and prioritization process.

The individuals who experienced process changes were concentrated in the 502nd Contracting Squadron at Fort Sam Houston. For those interviewees, nearly everyone indicated that the process changes have had a negative impact (personal communication, June 14, 2011; see Figure 17). Specifically, the customers indicated very strongly that the changes impacted their units in extremely negative ways. The customers cited significant time lost, causing longer lead-times for contract awards and resulting in mission degradation.

	Question	Contracting Personnel	Contracting Leadership	Customers
Contracting Process Questions				
37	Have these changes influenced your unit in a positive or negative manner?	X	X	X

Figure 17. Excerpt From the Appendix Showing Question 37

At JBLM, the contracting personnel and customers who transitioned from the Air Force to the Army, and the customers that remained in the Air Force following consolidation, noted the process changes, but they began receiving support from Army contracting. Both the contracting personnel and the customers noted the increased lead-time as a negative (personal communication, June 13, 2011; June 15, 2011). Customers also found the separation of pre-award and post-award functions frustrating because it created uncertainty in knowing who to contact for issues with contracts. The contracting personnel who moved from the Air Force to the Army were not certain whether

the pre-award and post-award organization was good, bad, or neutral with individuals presenting all three points of view.

Across all three locations at JBSA, none of the interviewees expressed a change in the way they communicated with customers (see Figure 18). E-mail, telephone, and face-to-face communication with customers continued as the means of communication at JBSA (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). Similarly, at JBLM there were no real changes in the manner of communication with customers or the media used. Two customers mentioned problems with knowing with whom they needed to communicate in response to other questions, but they did not mention any changes in the way communication took place (personal communication, June 15, 2011).

	Question	Contracting Personnel	Contracting Leadership	Customers
Communication Questions				
40	Has the way you communicate with your customer changed since joint basing? If so, how?	X	X	

Figure 18. Excerpt From the Appendix Showing Part of Question 40

The second part of Question 41 (see Figure 19) evoked some of the strongest responses of all questions asked to interviewees. The means of communicating the joint-base process differed between individuals, as some received briefings, e-mails, attended town-hall meetings or professional organization meetings, and others received nothing at all. This occurred across all of JBSA where some individuals received information and others did not (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). When asked whether it was clear, individuals at Lackland AFB and Randolph AFB were split in their responses. Roughly half believed the joint-base process communication occurred clearly, while the other half believed it had not. However, every single answering individual at the 502nd Contracting Squadron

located at Fort Sam Houston indicated that the processes' communication was not clear.

	Question	Contracting Personnel	Contracting Leadership	Customers
Communication Questions				
41	How was the process of joint basing communicated to affected employees? Was it clear?	X	X	

Figure 19. Excerpt From the Appendix Showing Question 41

At JBLM, three primary methods were used to communicate the joint-basing process: town hall meetings, a joint newspaper, and joint strategic engagement. Two of these three, town hall meetings and the joint newspaper, directly targeted affected employees (personal communication, June 14, 2011). Most respondents (eight out of 11) indicated that the communication was clear and effective (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; June 16, 2011). However, many thought that a lot of useful information was not provided but blamed higher levels of the DoD rather than JBLM leadership and the communication process. Those who did not think the communication was clear similarly focused on the lack of detailed information rather than on the method and process of communication.

The way leadership communicated with its employees did change after the creation of JBSA (see Figure 20). The majority of respondents across all three bases indicated that the information or delivery of the information changed (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). Because one wing commander holds responsibility for three bases instead of one at JBSA, employees indicated they receive less face-to-face time and more e-mails from their leadership. Additionally, the information was less precise because delivery occurred to three different locations with three different missions. No individuals indicated the changes as a good difference, but a few mentioned the change of communication as a bad thing for the base.

	Question	Contracting Personnel	Contracting Leadership	Customers
Communication Questions				
44	Has the way your leadership communicated with you changed since joint basing? If so, how?	X	X	

Figure 20. Excerpt From the Appendix Showing Question 44

There was very little change in the way leadership communicated at JBLM. Several people observed the fact that immediately prior to and during the consolidation process, the volume of communication was abnormally high, but it receded after reaching FOC (personal communication, June 13, 2011; June 16, 2011). The town hall meetings discussed previously were instituted to provide information about the joint-basing process and concluded less than a year after FOC.

Contracting leadership across JBSA agreed on two barriers encountered as a result of joint basing (see Figure 21). Over half of the leaders indicated that both ambiguity and culture acted as barriers throughout the joint-basing process (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). Commanders and directors did identify other barriers as individuals, but culture and ambiguity occurred across interviewees. As evidenced in the coding results as well, culture and ambiguity acted as barriers to the effective creation and implementation of JBSA.

	Question	Contracting Personnel	Contracting Leadership	Customers
Commander/Director Questions				
52	What barriers did you encounter to joint basing?		X	

Figure 21. Excerpt From the Appendix Showing Part of Question 52

The contracting leadership at JBLM consistently identified two barriers to the joint-basing process that they encountered. The first was the fact that they lost a significant number of personnel during the consolidation process. A total of 25 civilian contracting jobs were authorized to transfer from the Air Force to the Army, 19 jobs that were originally civilian and six new civilian jobs that replaced

the active duty portion of the contracting squadron. Of these 25 slots, only 13 personnel actually made the transition, with many others leaving for other federal jobs rather than going through the consolidation (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). This added significant difficulty to the process because fewer people than needed were available for the increased workload. Additionally, office space was a barrier to successful consolidation as the contracting office was in two different locations, one on the main area of Fort Lewis and one on what used to be McChord AFB (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; June 16, 2011). This created difficulty for communications and meetings and was a barrier to a successful consolidation.

Upon the creation of JBSA, the opportunity for improvement by finding best practices of each Service afforded itself to each squadron (see Figure 22). Unfortunately, at the time of the interviews, no implementation of best practices between Services had occurred (personal communication, June 13, 2011;June 14, 2011; June 15, 2011). Squadron leadership did acknowledge its intentions to share best practices between Services and squadrons, but in the eight months since JBSA stand-up, none had occurred.

	Question	Contracting Personnel	Contracting Leadership	Customers
Commander/Director Questions				
57	Were any policies or practices from the other service adopted by the unit?		X	

Figure 22. Excerpt From the Appendix Showing Question 57

There were a couple of practices that JBLM adopted from the Air Force after consolidation. Both were in the GPC program; one was a method for tracking and monitoring accounts, and the other was the use of approving officials instead of billing officials; but that change was occurring throughout the Army, not because of joint basing (personal communication, June 13, 2011). The lack of the use of best practices was a source of frustration for many former

Air Force employees who saw the Army process as less efficient due to the longer lead-time but generally understood that Army policies must be followed because the Army was the lead agency for JBLM (personal communication, June 13, 2011; June 15, 2011).

Only the contracting leadership at the newly formed 502nd Contracting Squadron answered affirmatively to issues of pre-award support, while the other two squadrons responded negatively (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; see Figure 23). The focus of the pre-award support from customers rested on the grave uncertainty that existed at time of standup and the natural frustration that followed. In response to post-award questions, every base responded it experienced a diminished level of support since consolidation. Again, contracting leadership expressed that the main reason behind the perceived falling level of contract administration rested in the ambiguity that followed the creation and stand-up of JBSA.

	Questions	Contracting Personnel	Contracting Leadership	Customers
Commander/Director Questions				
64 & 65	Have you had any issues with the level or quality of pre-award support from customers since consolidation? Have you had any issues with the level or quality of post award/administration since consolidation?		X	

Figure 23. Excerpt From the Appendix Showing Parts of Questions 64 & 65

At JBLM, there were no major issues with customers for pre-award or post-award noted by the contracting leadership. One leader stated that the education process of the customers was ongoing, and it would take more time to ensure that everyone was familiar with the Army processes, documents, and requirements (personal communication, June 13, 2011). There was no formal, ongoing education process, but it would be accomplished by contracting personnel working individually with their customers.

The customers validated and echoed much of what the contracting leadership had expressed throughout JBSA. Those at the 802nd and 902nd

Mission Support Groups located at Randolph AFB and Lackland AFB explained that nothing changed for them due to the creation of JBSA (personal communication, June 13, 2011; June 15, 2011). The customers of the 502nd Mission Support Group also echoed the concerns and frustrations the contracting leadership at that base discussed (personal communication, June 14, 2011). The mass ambiguity frustrated customers as well, and the lack of preparation in the creation of the 502nd Contracting Squadron further infuriated those whose contracts became affected.

Customers at JBLM who were with the Army prior to joint basing reported no changes in their interactions with contracting (see Figure 24). Former and current Air Force customers addressed a variety of issues, including difficulty with knowing whom to contact in contracting, and diminished support with defining requirements and getting packages submitted to contracting (personal communication, June 15, 2011). No customers noted any improvements in the responsiveness or interactions with contracting.

	Question	Contracting Personnel	Contracting Leadership	Customers
Customer Questions				
68	Has the quality, responsiveness, or type of interaction and service with contracting changed since consolidation? How?			X

Figure 24. Excerpt From the Appendix Showing Question 68

Similar to Question 68, only the customers at Fort Sam Houston who changed contracting offices expressed any changes even occurring (see Figure 25). Unfortunately, the customers at Fort Sam Houston who responded all indicated the changes as being not only negative, but extraordinarily negative for the same reasons as those listed previously (personal communication, June 14, 2011).

	Question	Contracting Personnel	Contracting Leadership	Customers
Customer Questions				
71	Overall, have the changes been positive or negative? Why?			X

Figure 25. Excerpt From the Appendix Showing Question 71

The customers who had been supported by Army contracting before joint basing did not see any significant changes at JBLM, so they did not see any changes as positive or negative. The former and current Air Force employees generally thought the changes were negative, most commonly citing the longer lead-time for awarding contracts as the reason (personal communication, June 13, 2011; June 15, 2011). Several customers expressed hope that the joint-basing process would eventually lead to efficiencies that could help them do more with their budget, but their interactions with contracting through the time of the interviews had not shown any positive changes (personal communication, June 15, 2011; June 16, 2011).

V. Discussion

The results of this study indicate that in at least two of the 12 joint bases across the DoD, the contracting organizations did not receive appropriate consideration prior to base consolidation. Furthermore, in at least two of the 12 joint bases, the designation of FOC of the joint bases applied to the contracting organizations in name only, as optimal consolidated operations remained elusive. We found internal organizational problems that will likely be important information to current and future *contracting* leadership. However, the findings applicable to current and future *base* leadership may be more significant. Thus, we elaborate on these findings in this section.

The findings provide current contracting leadership with information about problems encountered during consolidation, some of which persist. The identification of existing problem areas is important to current leadership because it provides an outside perspective on issues that may not be obvious to those involved with the consolidation. More important, the identification of existing problems and those that occurred during the consolidation process provide an excellent source of lessons learned for future contracting consolidations. This information may assist the people responsible for future contracting consolidations in avoiding some of the difficulties experienced at JBSA and JBLM.

These findings are important to base leadership because without proper support and consideration given to contracting, the mission may be negatively impacted. Both bases experienced some sort of failure in the contracting functional area after consolidation. In some instances, the government overpaid for bridge contracts, mission stoppages occurred, service levels were reduced without consent from customers, and work continued outside of compliance with acquisition regulations (both intentionally and unintentionally). Given expected budget reductions, growing concerns over adherence to contract regulations, and

the increased reliance on contractors for mission accomplishment, current and future leadership must recognize the key role contracting organizations play and include them at the strategic level.

For the current and future consolidation efforts, installation leaders need to meet with contracting leaders to resolve any inconsistencies or ambiguities in the contracting process, specifically the roles each unit plays in achieving a successful contract. Specific lines of contractual authority and contractual support must be drawn across all the consolidating units to avoid confusion. Additionally, the lines of communication between installation leaders and contracting must be fully open and two-directional at all times. Differences in organizational structure in contracting act as neither a barrier nor an enabler, but ensuring that the structure fits correctly into the environment remains paramount if the base desires effective and efficient mission execution. The structures used at each joint base mirrored structures used throughout the respective lead Services. However, given their current outputs, the structures employed were probably not ideal for the situation (Donaldson, 2001). Taking these steps is pivotal to achieve the overall BRAC goals of cost savings, transformation, improvement of capabilities, and enhancement of military value (Defense Base Closure and Realignment Commission, 2005) by improving processes, communications, and governance structures.

VI. Conclusion

A. Introduction

Consolidating the purchasing functions at JBSA and JBLM may have been a drastic change for those affected, but the concept is no different from the consolidation and mergers of organizations across the world occurring daily. The purpose of the BRAC included the gaining of the fiscal advantages typically associated with consolidating functions. However, the consolidating organizations did not appear to share the BRAC objectives.

The 2005 BRAC Commission Report estimated savings of $183.8 million per year from the 12 joint-basing initiatives. This included savings from the elimination of an estimated 2,121 redundant DoD personnel, 611 of which were from JBSA and JBLM (Defense Base Closure and Realignment Commission, 2005). Multiple contracting leaders stated that they were not aware of any specific personnel savings goals due to joint basing (personal communication, June 13, 2011; June 14, 2011; June 15, 2011), and all DoD civilian personnel received guarantees that their positions would remain after the consolidation (personal communication, June 13, 2011; June 14, 2011). Since the individual joint bases were not responsible for savings and their only assigned mission was to establish joint bases, they established the joint bases without regard for the overall objectives of the BRAC. The misalignment of goals, failure to establish objectives other than base creation, and lack of accountability for the BRAC objectives led to the joint bases focusing on achieving FOC rather than on gaining lasting efficiencies and accomplishing broader goals.

Using the case study methodology, the focus remained on answering the research questions and identifying ways for other consolidated purchasing organizations to improve. We identified specific factors contributing to the organizational successes of joint-base contracting. Having identified changes

that occurred at each base, we now identify the changes as strengths or weaknesses in terms of structure, processes, and communication. In this process, we relied heavily on the extensive literature review covering the contingency theory of organizational design, mergers and acquisitions, change management, and strategic sourcing. Improvement for JBSA and JBLM is within reach, but the full attainment of BRAC goals remains highly unlikely. Other organizations throughout the Air Force, the DoD, and other federal, state, and local government organizations should gain valuable insight from this research.

B. Answers to Research Questions

1. What Are the Barriers to Effective Consolidation?

2. What Are the Enablers to Effective Consolidation?

We found the answers to the first two research questions in our literature review, which revealed numerous factors that impact the success of a functional consolidation. Many of these factors increase the likelihood of success with their presence, while others reduce the likelihood of success. Senge (1990) showed that the presence or absence of the factors does not guarantee the success or failure of a consolidation, but they do serve as predictors. Additionally, Senge (1990) asserted that the absence of predictors to success may be a predictor of failure. Therefore, the barriers and enablers to effective consolidation are, to at least some degree, dependent upon the presence or absence of the following factors (see Table 6).

The contingency theory of organizational design identifies five major factors that significantly influence the success of consolidation: formalization, decentralization, adaptability, effective feedback processes, and task uncertainty. The first four (formalization, decentralization, adaptability, and effective feedback processes) are enablers of successful consolidation when present and act as barriers to consolidation when absent. Task uncertainty acts in the opposite manner because it is an enabler when absent and a barrier when present.

The M&A literature identified six significant predictors of a successful consolidation: culture shock, adaptability, openness, shared vision, positive emotional attractors, and the understanding of the goal by all stakeholders. The first predictor, culture shock, is a barrier when present and an enabler when it is absent. The other five predictors are enablers when present and barriers when absent.

The change management literature identified three major factors that impact the success of consolidations: communicated vision, empowered employees, and positive culture change. Each of these factors are enablers when present and barriers when absent. Vision and culture were also factors we identified in the M&A literature, and an empowered employee is very similar to the idea of decentralization that is found in the contingency theory of organization design literature.

Table 6. Enablers and Barriers of Effective Consolidation

Enablers If Present & Barriers If Absent	Barriers If Present & Enablers If Absent
Formalization	Task Uncertainty
Decentralization	Culture Shock
Adaptability	
Effective Feedback	
Openness	
Shared Vision	
Positive Emotional Attractors	
Goal Understanding	
Communicated Vision	
Empowered Employees	
Positive Culture Change	

3. What Processes, Governance Structures, Organizational Structures, and Communication Lines and Mediums Are Currently Being Employed?

At JBSA, the processes that contracting squadrons currently employ vary among the three locations. The process of receiving requirements, executing

contracts, administering contracts, and closing out contracts remained unchanged for the 802nd and 902nd Contracting Squadrons. The process includes customer stops at the local comptroller squadron, personnel, contracting, security forces, and civil engineering as applicable for services, supplies, or construction processes. A significant process problem at the 502nd Contracting Squadron existed because no standardized processes existed. However, at the time of interviews, the release of the aforementioned customer guide sought to solve this ambiguity and to follow contracting processes similar to that of the 802nd and 902nd Contracting Squadrons.

For the Army MICC at JBLM, the contracting processes changed slightly to accept Air Force funding documents and to use approving officials instead of billing officials in the GPC program. While there were significant differences in processes between the Air Force and the Army, most did not change. The Army used different forms and terminology, but the basic structure of awarding, administering, and closing contracts did not change. The most notable changes included lower thresholds for certain documentation and review requirements and additional layers of review. Additionally, while no formal processes changed, the level of pre-award assistance with requirement definition was much lower than Air Force customers had previously experienced. There was no difference in the use of contract types or evaluation factors during source selections. There was no significant change in the acquisition planning process, and the current process for the consolidation of requirements at JBLM relies on the consolidation of customers, not changes in the contracting process.

The governance structure includes the rules, roles, and responsibilities that the contracting organizations follow in meeting mission requirements. Each squadron at JBSA, including the 502nd Contracting Squadron supporting Fort Sam Houston, followed Air Force procedures, including the Air Force Federal Acquisition Regulation Supplement (AFFARS), the Defense Federal Acquisition Regulation Supplement (DFARS), and the Air Education and Training Command (AETC) mandatory procedures. Furthermore, each base created local operating

instructions further dictating roles and responsibilities of squadron members. No personnel performance evaluations or standards of roles and responsibilities changed after FOC at JBSA. Finally, the contracting authority for all three locations comes from AETC headquarters.

At JBLM, the governance structures for the MICC remained unchanged due to joint basing. The contracting authority comes from the MICC headquarters at Fort Sam Houston. Because the Army was the lead Service for JBLM, the base used Army guidance and procedures, including the Army Federal Acquisition Regulation Supplement (AFARS), DFARS, and DoD directives. The contracting office created local guidance for specific joint-basing issues. The personnel performance evaluations and standards did not change after FOC for the personnel who remained with the Army and changed very little for the personnel that transitioned from the Air Force to the Army.

The organizational structure at JBSA looks similar to the organizational structures of the three individual bases prior to FOC. Previously, Fort Sam Houston base requirements went to the MICC for support, and the requirements for both Randolph AFB and Lackland AFB flowed to the same local contracting squadrons. Now, a different mission support group (MSG) supports each of the three geographically separate bases, and a separate contracting squadron supports each MSG. The contracting squadrons fall in the chain of command of their respective MSGs at JBSA. Each squadron provides cradle-to-grave contracting, where a single contract specialist and contracting officer normally work on a requirement throughout the entire process, from acquisition planning to contract closeout.

At JBLM, the MICC supports the garrison command structure but is a tenant unit. Its chain of command, like its contracting authority, comes from the Army's MICC. This was very different from the JBSA approach where each contracting squadron supported units that shared its chain of command. The JBLM MICC used separate pre-award and post-award functions for the

contracting process instead of the cradle-to-grave approach preferred at JBSA. This means that an individual assigned to the pre-award section would award a contract and someone else, from the post-award section, would administer and close it out.

Communication lines employed remained unchanged since the creation of JBSA. The primary method of communication continues to be e-mail, but other methods are also employed in the manner determined appropriate by the sender and higher ranking official. Formal communication comes from the joint-base command structure to each MSG in both written and verbal, and formal and informal forms. Because wing support for teamwork between the contracting squadrons exists only to ensure fulfillment of Common Output Level Standards (COLS), predominately informal communications take place among the contracting squadrons.

During the joint-basing transition at JBLM, the base-wide strategic communication plan included three major areas: a command information plan, a public awareness campaign, and rebranding operations. The methods used to communicate these messages included mass briefings by leadership, briefings to unit leaders that could be passed on to subordinates, the base newspaper, and public media. Since FOC, the base newspaper and mass briefings have continued. Within the MICC, most employees preferred face-to-face communication, but the use of e-mail and telephone calls was prevalent, especially due to the dispersion of customers and the post-award section not being collocated with the rest of the office.

4. What Are the Strengths and Weaknesses of the Current Approach(es) to Consolidation by the United States Air Force and the United States Army?

The Air Force at JBSA and the Army at JBLM took very different approaches to the consolidation for joint basing. Each approach had different strengths and areas for improvement. It is important to note that because each

situation is different, a weakness in one approach may work well in another situation, just as a strength at one base may not translate to a strength in another circumstance. We determined the strengths and weaknesses of the Services' approaches to consolidation by analyzing interview responses, using the literature review, and coding the results. These results are shown in Table 7 and Table 8.

Table 7. Strengths and Weaknesses Identified at JBSA

Strengths	Weaknesses
Contracting Squadron Leadership	Goal Incongruence
Strategic Sourcing Focus	Task Uncertainties
Communication with Other Contracting Squadrons	Communication with Customers and Wing Leadership
Openness of Contracting Squadrons	Lack of Shared Vision
Channels to Provide Feedback	Culture Shock
	Organizational Structure
	Lack of Adaptability
	Lack of Formalization
	Leadership Considering Contracting Administrative
	Lack of Positive Emotional Attractors
	Lack of Empowered Employees
	Lack of Decentralization

Table 8. Strengths and Weaknesses Identified at JBLM

Strengths	Weaknesses
Channels to Provide Feedback	Goal Incongruence
Openness	Leadership Considering Contracting Administrative Function
Adaptability	Lack of Strategic Sourcing Focus
Lack of Culture Shock	External Communication
Lack of Conflict	Task Uncertainties
Contracting Leadership	Customer Education
	Lack of Best Practices
	Lack of Formalization
	Lack of Positive Emotional Attractors
	Lack of Empowered Employees
	Lack of Positive Culture Change

At JBSA, we found all the strengths of the consolidation were internal to the contracting squadrons. One example was the strength of squadron leadership across all three base contracting squadrons. Many of the employees, especially those located at the 502nd Contracting Squadron at Fort Sam Houston, identified this strength specifically throughout the interviews. This strength in local leadership helped minimize the barriers and increase the enablers of effective consolidation identified in Research Questions 1 and 2. Without the strong, local leadership at each contracting squadron at JBSA, the problems and frustrations experienced would have increased exponentially.

Another strength we found was the effort and attention on strategic sourcing at JBSA. This strength surfaced in two areas. First, the contracting specific COLS for JBSA included finding strategic sourcing opportunities by consolidating contracts between the three geographic locations. The second piece of evidence emerged in the coding process, as there were co-occurrences between strategic sourcing acting in a positive manner. This strength fits in perfect accord with one of the goals of BRAC, cost savings (Defense Base Closure and Realignment Commission, 2005).

The communication between the three contracting squadrons at JBSA created another identifiable strength. This strength surfaced through coding interviews, as many individuals identified communication, specifically, communication within and between the contracting squadrons, as strengths. Communication enables effective consolidation as evidenced by multiple theories in the literature review.

Another strength that surfaced during interviews of JBSA employees was the openness of the contracting squadrons themselves. Multiple contracting employees expressed during the interviews (subsequently coded) that the contracting organization kept an open mind throughout the changes in an effort to fulfill the mission. As evidenced in the literature review, openness helps the consolidation process meet its goals and objectives.

The final strength we identified at JBSA was a means to provide effective feedback. The ability to provide feedback is directly in line with the findings of Donaldson (2001) and discussed in the literature review. Interviewees who responded to Question 48 indicated almost unanimously that the ability to provide feedback to superiors existed prior to and since joint basing occurred. Although the ability to provide feedback previously existed, JBSA employees did not hold a unanimous belief that the feedback provided received significant attention.

Unfortunately for everyone, the weaknesses of JBSA eclipsed the strengths throughout the interviews. The most prevalent problem at JBSA was in the communication of the contracting squadrons with wing leadership and its customers. Several examples surfaced of the poor communication during planning, stand-up, and after FOC. The fact that some individuals received absolutely no information prior the creation of JBSA, that some customers found themselves contractually abandoned during stand-up, and that others did not know where to turn after FOC was perceived as unacceptable. In multiple theories throughout the literature review, researchers stressed the importance of

communication, but despite the warnings, JBSA fell far short of good communication with wing leadership and its customers.

Another of the most frequently voiced frustrations at JBSA across all geographic locations and all interviewee categories was task uncertainty. As evidenced in the coding and answers to questions, enormous task uncertainty existed, specifically with the creation of the 502nd Contracting Squadron. These uncertainties created untold conflict between individuals across JBSA at every level. Gresov (1990) warned of the pitfalls of task uncertainty, but as evidenced across hours of interviews, JBSA again failed to avoid the hazard.

The organizational structure of three separate contracting offices employed at JBSA created a weakness that few interviewees identified. In fact, many of the contracting employees, specifically contracting leadership for JBSA, called the separate units a strength in the joint-basing process (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). The employed organizational structure likely acted as a strength for both contracting and supported units from the perspective of effective contracting. However, it failed to support the overall BRAC goals, specifically, monetary savings through redundant personnel reductions. Furthermore, three separate contracting organizations made strategic sourcing more difficult compared to a single, unified contracting organization.

Culture shock also existed across JBSA, specifically at Fort Sam Houston. As stated in the literature review, when merging cultures differ significantly, the organizations will feel the negative impacts of culture shock (Creasy et al., 2009). Nearly all respondents at Fort Sam Houston recognized and identified the difference in cultures between the Army and the Air Force. At JBSA, according to the coding and interviews, the indications that culture acted as a barrier occurred with five times the frequency of those who viewed the culture as an enabler for successful consolidation. Culture shock can and did act as a barrier to the effective consolidation efforts at JBSA.

One important explanation as to why JBSA encountered the problems it did throughout the consolidation process was wing leadership. Several examples surfaced during interviews of instances in which wing leadership failed. Employees in the contracting workforce experienced numerous instances in which a contract process required the wing leadership's signature before an action could occur. However, after the creation of JBSA, the wing leadership became one-third as accessible, and it became three times more difficult to obtain signatures. Furthermore, some interviewees specifically called out the newly created wing staff as simply barriers blocking access to the commander. Without a strong leader championing the consolidation, other important enablers of effective consolidation never materialized.

These important missing enablers included a lack of a shared vision, of adaptability, of formalization, of positive emotional attractors, of empowered employees, and of decentralization. The wing leadership either never created a shared vision or failed to communicate the shared vision it developed. Without a shared vision, the JBSA employees had few, if any, positive emotional attractors towards consolidation. Furthermore, with mass uncertainties abounding because of poor planning, no processes formalized and no employee empowerment occurred. No decentralization could occur with the decision-maker or responsible party often unknown. Finally, rather than being flexible and adaptable at the wing staff level, multiple examples of mass confusion and the staff's refusal to work around their ever-changing processes surfaced in the interviews.

At JBLM, the strengths we discovered were also internal to the contracting function. One of the strengths discovered within the MICC was the ability to provide effective feedback. The literature review clearly showed the importance of effective feedback and identified it as an enabler of adapting organizations to new environments. No respondents stated that they could not provide effective feedback, and many said that they had a mechanism to provide feedback.

However, some interviewees did not believe the feedback resulted in any changes while others believed its effectiveness.

Another strength we found at JBLM was the openness within the contracting unit. Numerous contracting personnel showed during their interviews that the member's contracting organization was very open and willing to allow discussion and did not prevent individuals from giving opinions (personal communication, June 13, 2011; June 15, 2011). The willingness to change based on inputs was not seen as readily, but several interviewees did state that it occurred. Senge (1990) showed openness as essential for transitioning organizations to adapt to their new environments.

Adaptability was another strength we discovered during interviews at JBLM. Many employees, both those coming from the Air Force and those remaining with the Army, stated that the transition of the contracting unit went much more smoothly than the process for the base as a whole (personal communication, June 13, 2011; June 14, 2011). The coding showed that more people experienced adaptability as a barrier than as an enabler, but the negative views were exclusively related to the broad joint-basing effort, not to the MICC specifically, although the positive views were almost entirely focused on the MICC. The literature review showed that when present, adaptability was clearly an enabler of consolidation.

A major difference that we found between JBSA and JBLM was that the JBLM did not experience significant culture shock during the consolidation. Many interviewees from outside of contracting had culture shock within their organizations, and many contracting personnel saw it in other units, but the MICC remained insulated (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; June 16, 2011). In the literature review, we showed the absence of culture shock to be an enabler of consolidation; thus, we determined that the lack of culture shock in the JBLM MICC was a strength.

Another strength we found at JBLM was the relatively low levels of conflict. Similar to the patterns seen in culture shock discussed previously, interviews of personnel outside of the MICC showed significantly higher incidents of conflict than occurred in the MICC. Contracting personnel consistently reported that levels of conflict were not significantly different from levels experienced prior to joint basing (personal communication, June 13, 2011; June 14, 2011; June 15, 2011; June 16, 2011). The literature review shows that conflict often appears during major transitions and limits the performance of the affected organization. Because of this, the lack of significant conflict was a strength for JBLM.

The final strength we identified at JBLM was the leadership in both contracting organizations prior to consolidation and the combined leadership of the MICC following consolidation. This strength emerged consistently through interviews with contracting personnel (personal communication, June 13, 2011; June 14, 2011). The leadership from both the Air Force and Army sides effectively ensured that their subordinates understood the purpose of the changes and how they would be impacted by issues within the control of the contracting unit. Many interviewees attributed other identified strengths, such as a shared vision, lack of culture shock, and lack of conflict, to the success of the contracting leadership. The leadership proved instrumental in limiting barriers, promoting enablers and helping the contracting transition go more smoothly than much of the rest of the consolidation.

Although there were numerous strengths in the approach used by JBLM, weaknesses existed as well. The first was the lack of focus on strategic sourcing. Chen et al. (2004) showed that viewing purchasing as a strategic function was a major factor that determined the success of strategic sourcing efforts that then directly impacted firm performance. There were no coded co-occurrences of strategic sourcing with any other concepts in the transcripts of interviews at JBLM. During the interviews, it often appeared that the final goal for joint basing was the creation of a joint base, not to further the objectives of the

BRAC law (personal communication, June 13, 2011; June 14, 2011). This consolidation provided the opportunity for the contracting function to show its strategic value by providing not only quantity discounts on purchases being made and decreased transaction costs from fewer contracts, but proactive support for strategic objectives that improve both effectiveness and efficiency. While JBLM accomplished the goal of creating a joint-base contracting unit, it squandered an opportunity for significant improvement in support for the base.

External communication was also a significant weakness for the JBLM MICC. Customers identified this weakness during interviews, and the coding revealed that communication was the most negative area of JBLM. Both Air Force and Army customers shared similar complaints about not knowing whom to contact. Air Force customers also experienced difficulty with receiving information on contracting processes that differed from the Air Force processes (personal communication, June 15, 2011; June 16, 2011). These could be customer service process problems, but based on the fact that customers prior to consolidation stated that they did not have any of these problems, it was likely these issues were symptoms of a communication problem because the processes did not change. Covin and Kilmann (1990) talked about the negative results of a lack of communication.

Similar to JBSA, one of the most common frustrations at JBLM was the task uncertainty. In the coding and interviews, we discovered that task uncertainty was prevalent throughout the joint base, including in the contracting function. However, task uncertainty failed to present itself at the tactical, contract-execution level. The task uncertainty led to inefficiencies and a general lack of direction that surfaced, especially in the way the contracting personnel viewed their organization's position on the base, not how they viewed their job or role within the contracting function. In the literature review, we clearly showed that task uncertainty was a barrier to successful consolidations; therefore, it was an obvious weakness in the process at JBLM.

Another weakness we discovered at JBLM was the lack of education for customers who transitioned from the Air Force to the Army or remained in the Air Force but are now supported by Army contracting. Interviews with current and former Air Force customers revealed the issue. Although the MICC provided training (personal communication, June 14, 2011), it clearly did not reach everyone who needed it. This lack of training was especially true for Air Force customers who remained Air Force employees after joint basing (personal communication, June 15, 2011). One Air Force customer stated that the first guidance they received was a guide for the end of the fiscal year that came out seven months after FOC. This weakness was very similar to the communication issues we discussed in the previous paragraph and was a weakness because it could lead to similarly negative results.

The next weakness we discovered was the lack of use of best practices. This problem was not specific to the MICC but resulted from high-level policy requiring the joint bases to follow the policy of the lead Service (personal communication, June 13, 2011). The consistent use of Army policy disappointed many former Air Force employees who said that they had received briefings saying that JBLM would implement the best policy (personal communication, June 13, 2011; June 14, 2011). Many Air Force employees stated that the use of certain Air Force policies instead of Army policies would reduce acquisition lead-times and make the contracting process more efficient (personal communication, June 13, 2011; June 14, 2011). We identified flexibility as a component of adaptability in the literature review; thus, while the adaptability of the MICC was a strength, the lack of flexibility in policy for the entire joint-basing process was a weakness.

The last few weaknesses we identified at JBLM were concepts that did not emerge during interviews but which the literature review showed to be enablers when present and barriers when absent. Thus, the absence of these concepts was a weakness. These concepts include the lack of formalization, the lack of positive emotional attractors, the lack of empowered employees, and the lack of

positive culture change. The interviews included people within the contracting office as well as customers from other functional areas, and none of these concepts showed up in either category.

After thoroughly examining the interviews, coding, and highlighting answers to questions, we propose causal relationships exist at JBSA and JBLM. The conflict and performance issues (which included the contracting function surfaced at both bases after consolidation) stem from two fundamental problems. First, base leadership considered contracting an administrative function rather than as strategic. Second, goal incongruence between the BRAC's intentions and joint-basing execution abounded. As we discovered in the literature review, Chen et al. (2004) explained the pivotal importance of contracting's role being at least partially strategic in nature. Without this view by senior leadership at both bases, change efforts struggled, and future change efforts will struggle as well. Additionally, Swaminathan et al. (2008) explained how a shared goal is paramount in any consolidation effort, and the goals of the BRAC differ from the goals of joint basing. This lack of a shared goal implies that joint basing could never meet the intentions of the BRAC on its current path. The other weaknesses experienced were unique to each base and branch from different root problems. Figure 26 shows the causal diagram that represents what our research suggests about the issues JBSA and JBLM experienced, where the size of the shape is indicative of the severity of the problem, the vertical scale represents likelihood of success or failure, and the linkage arrows show commonalities identified in the coding or found in the interviews.

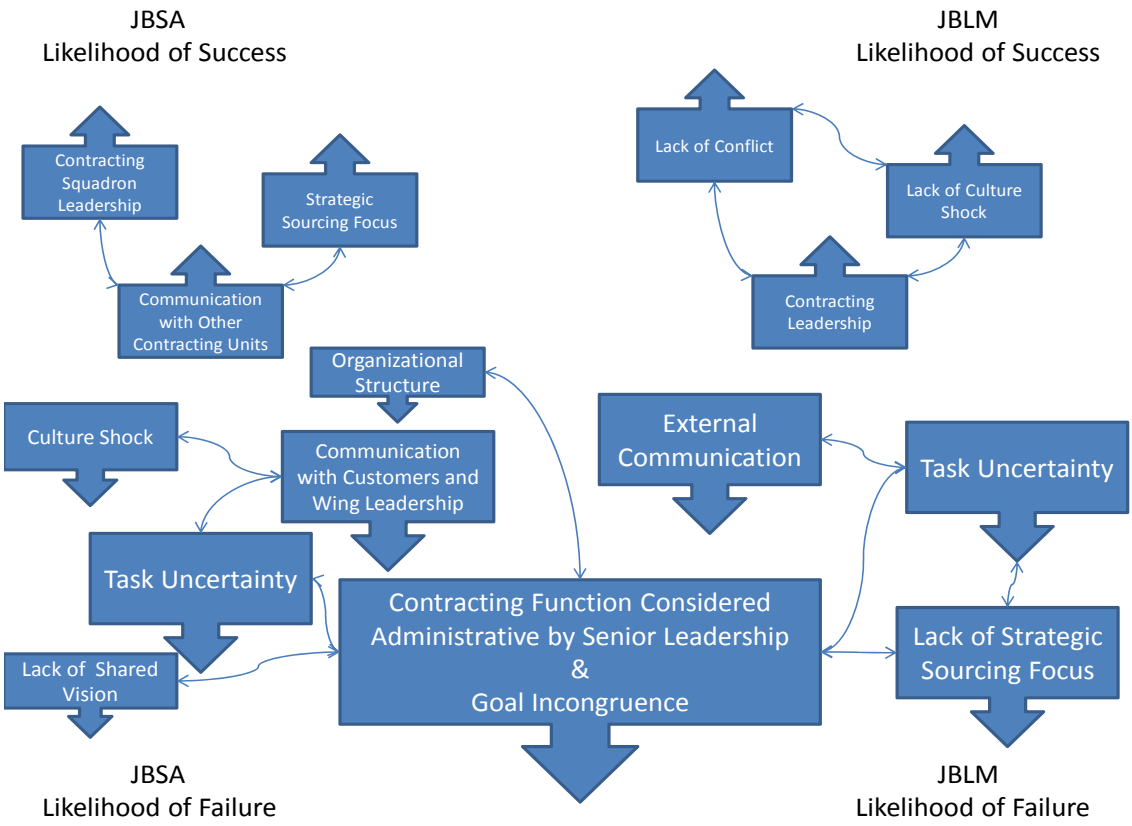

Figure 26. JBSA and JBLM Causal Diagram

As we identified in the discussion, both goal congruence and the consideration of contracting as an administrative function by senior leadership are the root causes of the problems experienced at JBSA and JBLM. On the JBSA side of the diagram, those root causes directly aided in the mass task uncertainty that followed FOC and the lack of a shared vision. Furthermore, the organizational structure employed at JBSA failed to align with the overall goals of the BRAC. The task uncertainty then caused even more communication breakdowns and problems with the customers and wing leadership at JBSA as evidenced in the co-occurrences during coding. Also evidenced in the coding was the fact that the poor communication and different styles of communication fueled the culture shock. However, the good communication internal to the contracting squadrons helped increase the likelihood of success at JBSA by

focusing the contracting squadrons on strategic sourcing and showing employees the leadership skills of the contracting squadron leaders.

On the JBLM side of the diagram, both root causes similarly contributed to the task uncertainty, and the view of contracting as an administrative function by base leadership was a significant cause of the lack of focus on strategic sourcing. Significant problems in communication also led to an increase in the task uncertainty experienced at JBSA. The interview coding supported this conclusion as communication and task uncertainty had the second-most co-occurrences of any concepts found in interviews at JBLM. Task uncertainty also likely contributed to the lack of strategic sourcing focus. The concepts did not co-occur at all, which points to the lack of focus on strategic sourcing. The interviews showed that the task uncertainty made it difficult for the consolidating organizations to accomplish anything; thus, they did not implement any programs that were not specifically directed or measured, including strategic sourcing. On the positive side, contracting personnel consistently credited their leadership with reducing culture shock and conflict within the contracting office. The lack of culture shock also helped to further reduce the incidence of conflict, an idea evidenced by the significant numbers of co-occurrences between culture and conflict.

5. Will the Employed Processes, Governance Structures, Organizational Structures, and Communication Lines Be Successful?

It is impossible to say with certainty whether any processes or structures will be successful, but both joint bases have been established and reached FOC. The requirement of the BRAC process was to establish joint bases with the lead Service providing installation support for the entire joint base (Defense Base Closure and Realignment Commission, 2005). That requirement has been achieved through mandate of FOC as of October 1, 2010, but there have been

difficulties at both bases, and each organization continues to adapt to its new environment.

Beyond the minimum requirement of establishing the joint bases, JBSA and JBLM should also support the objectives of the BRAC process: $183.8 million in cost savings, transformation, improvement of capabilities, and enhancement of military value (Defense Base Closure and Realignment Commission, 2005). We discovered no metrics being used at the joint bases that addressed the goals of transformation, capabilities improvement, or enhancement of military value. Furthermore, we did not find any strategies set forth by leadership to achieve these ends. The only BRAC goal addressed by either joint base was cost savings, which numerous contracting personnel at JBSA saw as the goal of joint basing. A DoD committee with membership from each Service developed the Common Output Level Standards (COLS) for multiple functions, including contracting. At each joint base, the base leadership holds the functional leadership responsible for achieving the COLS, but the COLS failed to address the fundamental purpose of joint basing, which was to support the objectives of the BRAC. Table 9 lists the COLS used to measure the contracting function.

Beyond the minimum requirement of establishing the joint bases, JBSA and JBLM should also support the objectives of the BRAC process: cost savings, transformation, improvement of capabilities, and enhancement of military value (Defense Base Closure and Realignment Commission, 2005). We discovered no metrics being used at the joint bases that addressed the goals of transformation, capabilities improvement, or enhancement of military value. Furthermore, we did not find any strategies set forth by leadership to achieve these ends. The only BRAC goal addressed by either joint base was cost savings, and these goals were not specific, measureable, or addressed in their performance briefings. The DoD created the COLS for all of the joint bases. JBSA and JBLM base leadership continuously monitor the COLS for multiple functions across the joint base, including contracting. The base leadership holds the functional leadership

responsible for achieving and reporting on the status of the COLS. JBSA and JBLM used the COLS for measuring customer satisfaction and measureable performance. The problem with the COLS was that they were baselined off of pre-consolidation levels of average service across several distinct bases and generally expected only the maintenance of a given level of performance, not improvement from it.

Table 9. Contracting COLS

COLS
Returned customer surveys will achieve an average rating of at least a "3" on a 5-point scale.
Customer surveys will be conducted on at least 20% of awarded actions.
For large acquisitions, 70% of procurement awards will meet the agreed-upon milestone plan for procurement lead-time.
70% of actions awarded using simplified acquisition procedures will have a procurement lead-time of 30 days or less.
Surveillance of each GPC Approving Official will be conducted at least every 12 months, 100% of the time.
100% of initial and refresher GPC training will be ensured.

C. Managerial Implications

The 12 DoD joint bases currently scattered all across the world all have at least one contracting organization. This research provides insight as to how those contracting organizations can be improved. Furthermore, this research also provides important considerations that other consolidating or consolidated purchasing activities should keep in mind. Additionally, governmental entities considering consolidating purchasing functions should consider the results of those consolidated so far to determine whether or not the move is prudent for their unique situation.

Based on the answers to the research questions we have presented, contracting activities at any consolidated location can better plan for and execute

contract consolidation activities. Furthermore, any governmental entity consolidating its purchasing arm should look to avoid the pitfalls that occurred at JBSA and JBLM and should seek to emulate their successes. JBSA and JBLM can improve the way they are contributing to meeting the overall goals of the BRAC—cost savings, transformation, improvement of capabilities, and enhancement of military value—by following the recommendations set forth in Section D (Defense Base Closure and Realignment Commission, 2005).

D. Recommendations

Specific recommendations for both joint bases come from combining the interview results with the literature review. JBSA has a unique geographical structure that makes it very much unlike several other joint-base initiatives. JBSA is geographically separated across San Antonio, Texas, making their connection seem as though it is really in name only. The general feeling across all three bases was that the different locations hurt efficiencies, especially in non-mission-critical operations (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). One JBSA Randolph employee said,

> Well, we talked about the inefficiencies of just being geographically separated. It is totally inefficient . . . I mean, anytime there is a ceremony or every time there is a promotion, I mean, we have to truck to go to Lackland, we have to truck down to go to Fort Sam, they have to truck them over here, so you have got half a day of . . . the wing getting on a bus, trucking to Lackland staying there half a day. (personal communication, June 15, 2011)

A JBSA Lackland employee backed up this statement, complaining,

> Now for meetings, if you are going to have a meeting with any of those individuals, you have to determine where it is going to be and somebody is going to have to travel across town, whether that be Randolph or Fort Sam. (personal communication, June 13, 2011)

The first recommendation for improvement is to utilize available alternative methods (online collaborative meetings, video calls, telephone calls, e-mail, and others) to significantly reduce the number of face-to-face meetings and

thousands of wasted man-hours annually. Furthermore, requiring entire organizations to attend events like changes-of-command ceremonies and promotion ceremonies should be removed given the tremendous expenditure of resources with little to no return.

The second recommendation for JBSA concerns the utter lack of a true feeling of consolidation at two of the three bases that make up JBSA. Common quotes from JBSA contracting leaders, contracting employees, and customers at Randolph AFB and Lackland AFB included the following: "Joint basing hasn't really hit us yet" (personal communication, June 13, 2011); "We don't even see it. It is not an impact" (personal communication, June 13, 2011); "Nothing was really affected" (personal communication, June 15, 2011); and "I haven't really noticed anything different" (personal communication, June 15, 2011). Considering two-thirds of the purchasing squadrons felt like nothing happened, it isn't any wonder that they feel as though "trucking" over to a different part of the base is a complete waste of time. Furthermore, it should come as no surprise that while two squadrons feel as though nothing has changed, one organization is left to feel all the pain of consolidation. The recommendation to combat this current situation is through improved communication by wing leadership and creating buy-in by all the purchasing units. The three contracting squadrons already initiated improved communication lines and knowledge sharing activities, and fostered a good teamwork relationship. However, because wing leadership has not recognized or supported these activities, they exist only on a very informal level. A true shared vision and mission with goals and objectives is needed at JBSA, along with improved wing support and leadership.

Third, JBSA must continue working to reduce and eliminate task uncertainty. Countless examples of the lack of preparation and execution of the joint-base stand-up exist (personal communication, June 13, 2011; June 14, 2011; June 15, 2011). Wing leadership's complete failure in planning for the transition with consideration to contracting was obvious through hours of interviews. One JBSA employee commented that everything done on each base

before is now completed via “triplication of effort” (personal communication, June 13, 2011). A high-ranking customer of JBSA complained that the 502nd Contracting Squadron at Fort Sam Houston “should have been fully staffed months before the actual transition from Army to Air Force contracting services” (personal communication, June 14, 2011). Unfortunately, this was also a failure in wing leadership because JBSA contracting leaders repeatedly requested this very idea only to have it denied. One JBSA contracting leader voiced frustration over this very point, saying, “They always thought that they had bigger fish to fry . . . they didn’t worry about contracting” (personal communication, June 15, 2011). The third recommendation to avoid the JBSA’s frustrations in the future and to minimize them currently is to include contracting at the strategic level. Planning and execution of contractual changes will happen more smoothly if someone presents a contracting perspective at a strategic level. However, because the current military structure views contracting as a supporting administrative function and not as a strategic partner, and until the structure changes to include contracting at a strategic level, these uncertainties and problems will likely persist.

The final recommendation for JBSA involves a study on radically changing the organizational structure employed at JBSA. The goals of the BRAC, which include cost savings, transformation, improvement of capabilities, and enhancement of military value (Defense Base Closure and Realignment Commission, 2005), have not been met at JBSA under the current organizational structure. Rather than organizing and operating as three separate entities, a study should be conducted to determine whether one MSG instead of three would better benefit JBSA. Researchers should look at ensuring that the BRAC goals align with the joint-base goals and evaluate it against the current organizational structure, which does not appear to be meeting any of the intentions of the BRAC. It is unknown whether the current structure best fits the environment to maximize performance (Donaldson, 2001), but it is unlikely, given the current outputs.

The interviews showed that one weakness of JBLM was a lack of communication and training with the new customers that they supported because of joint basing. Contracting personnel stated that they provided training to their new customers, but multiple customers stated that they did not receive any training in the Army processes. It is possible that this was an oversight specific to the consolidation process, but the fact that contracting is a tenant unit on JBLM and does not fall under the garrison command may make integration more difficult. This is further complicated by the fact that the contracting office supports a significant number of Air Force customers that are unfamiliar with Army contracting procedures.

Because of these difficulties, the first recommendation is that specific training be provided to all incoming commanders and resource advisors. The training should provide contact information for the various functions within the unit and ensure familiarity with the contracting processes, procedures for submitting requirements, and normal timelines for executing requirements. Additional training should be made available to new Air Force personnel who will interact with contracting that highlights the procedural differences between contracting in the Army and in the Air Force. New training should ensure that customers have a basic knowledge of how contracting works and what they should expect from their interactions. The knowledge gained from training should alleviate some of the frustration and difficulty of the contracting consolidation process and should ensure that the units of JBLM receive the support they require.

The second recommendation for JBLM is to focus on TCO rather than strictly contract consolidation and changes in contract price. Numerous interviews showed that the focus of JBLM contracting was on contract consolidation alone, with the hope that cost savings and improvements in mission support would come later (personal communication, June 13, 2011; June 14, 2011). A careful consideration of TCO would ensure that the government used its resources in the best way possible, not just a fair and reasonable price

on an individual contract. This analysis should also be used in decisions about whether to use contractors or government personnel and similar make-or-buy decisions.

A third recommendation for JBLM is in response to the lack of a strategic focus on contracting. A major roadblock to efficiencies that strategic sourcing can bring about is the view of purchasing as a purely administrative function (Ellram & Carr, 1994). Contracting has the potential to add significant strategic value to JBLM but must proactively pursue the opportunity to participate in strategic planning and ensure that contracting decisions and processes support the strategic goals of the base. The regulations and procedures limit the tools available but do not eliminate the potential for cost savings and improved service that can translate into more effective mission accomplishment. The contracting leadership must be proactive in pursuing strategic opportunities as well as actively educating their superiors on the potential mission impact contracting can provide. Other contracting personnel, both pre-award and post-award, should also look for opportunities to gain efficiencies by conducting spend analyses to find potential targets for strategic sourcing. Pre-award personnel should use analysis tools, such as Kraljic's (1983) Purchasing Portfolio Matrix, to help determine acquisition strategies and the degree of relationship management that the supplier requires. Post-award personnel should understand the criticality of the contracts that they administer and should ensure that they maintain relationships with important suppliers. These are very basic strategic sourcing ideas, but they may help prove the value of contracting in a strategic context and help to provide efficiencies that improve support and save money for JBLM.

The final four recommendations apply to JBSA, JBLM and all other DoD consolidation efforts. First, the BRAC Commission estimated that joint basing would bring about cost savings of $183.8 million per year and reduce the workforce by 2,121 personnel. This equated to expected savings of approximately $86,000 per position reduced per year. Based on this number, it was likely that the bulk of the expected savings were to come from reduced

personnel costs. However, neither JBSA nor JBLM experienced reduction in civilian personnel authorizations in significant amounts. The first recommendation for all DoD consolidations is to eliminate any positions that are made redundant or unnecessary because of joint basing. The elimination of these positions would reduce costs without a loss of capability and would be a significant step towards supporting the BRAC objectives, which is the purpose of the joint-basing initiatives.

Second, the COLS that the DoD uses to measure the output of joint bases do not properly hold the consolidating organizations accountable for the desired outcomes. As a result, the Services created joint bases but did not support the overarching goals of the BRAC because they were not accountable for achieving them. The final recommendation is that the DoD should align the goals of consolidating units with the goals of the BRAC by creating measureable, objective criteria that support the higher level goals and hold base commanders responsible for meeting these criteria. This would force the consolidating units to focus on more than simply becoming a joint base, but would also ensure that the consolidations are made with their intended goals in mind. Placing the responsibility for these goals on commanders will compel them to pursue a consolidation that is more closely aligned with the spirit of the BRAC instead of the current situation that only requires that the joint bases reach FOC.

Tied closely to the second recommendation of goal alignment is the third suggestion giving repercussions for failing to meet congressionally directed savings. The BRAC legislation gives precise savings goals for the joint bases, and it is unknown whether any savings have occurred because of consolidations. Congress should first stipulate specific outcomes by date and then direct a GAO study into the joint bases' achievement of meeting savings goals every two or three years. Based on the results of the GAO studies of monetary savings compared to specific congressional outcomes from the joint bases, budgetary reductions commensurate with costs of creating the joint bases should occur if required savings have not been achieved. A simultaneous approach could be to

require the joint bases to post and account for all savings online on a public forum. Currently, the DoD's complete disregard of the overall purpose of the BRAC is irresponsible to a taxpaying public and undermines the intentions of Congress.

The final recommendation is that the DoD develop a joint change management core competency unit, which should include a BRAC arm. Since budgetary pressures will persist and another round of the BRAC may occur, this recommendation may have far-reaching consequences. This organization should be made up of change champions throughout the DoD, including active duty and civilians. This organization would have several benefits, including the ability to avoid many of the hazards that befall changing DoD organizations like JBSA and JBLM. For example, prior to FOC at JBSA and JBLM, a change management organization would have realized that appropriate process lanes and outcome responsibilities needed to be established, unlike what occurred at JBSA and JBLM. They would have required pilot tests or dry runs, normally considered best practices, before the premature declarations of FOC at JBSA and JBLM. Furthermore, this organization should save the DoD significant money by aiding in the seemingly endless change processes, ensuring that current change direction (like the BRAC) is implemented correctly, and finally save money by precluding payments to consultants to perform work that the government should have expertise to accomplish internally.

E. Limitations

Although our research has broad implications for the consolidation of purchasing activities, it is not without limits. The largest and most obvious limitation of this study is that it looked at only two of the 12 existing joint bases. In addition to having only two of the 12 joint bases, JBSA and JBLM were both a part of the final round of joint basing. If information sharing occurred between the bases, the performance of JBSA and JBLM should have been the smoothest of the 12 joint-basing initiatives. Although lessons learned should have been

available to JBSA and JBLM decision-makers, one JBSA employee complained that they received no lessons learned despite the fact that this had been done before numerous times (personal communication, June 14, 2011).

In addition to the limitations of only considering a small portion of the joint bases, another limitation is the DoD-specific outlook on the consolidations. Although the lessons learned in our report apply to any purchasing function consolidation, the focus is military specific. In order to apply perfectly to other activities, the study requires a broader inclusion of other governmental or private firms. This idea was summarized by one interviewee who remarked that "the problem with using their lessons learned is, again, it is like politics. All politics are local" (personal communication, June 15, 2011). While the vast majority of this study applies to any other governmental departments, state, or local purchasing functions, issues specific to the DoD exist that may curtail the ability to generalize the findings beyond a DoD context.

Another limitation to our research rested on the fact that both JBSA and JBLM are less than one year old. As such, they have very little contracting activity from which to draw adequate contract performance analysis. At the time of the interviews, both JBSA and JBLM were in the process of consolidating contracts and finding areas for efficiencies. However, given the differing structures and completion dates for different contracts, even when opportunities exist for efficiencies, it takes time before the implementation of the efficiency actions.

The final limitation of this study is that we relied only on the opinions of those in or directly tied to the purchasing functions at each joint base. These individuals may have a perception about the purchasing functions that is too close to mission execution at the lowest levels to be objective. These individuals may focus too much on the difficult details and not see the successes in the larger picture. To say it another way, they may suffer from the old adage of not being able to see the forest because of the trees. Because we conducted this

case study using a qualitative approach to answering our research questions, personal biases or personalities may have impacted the interview results.

F. Areas for Further Research

In the process of answering the research questions, other questions arose—answers to which may be useful to current and future research leaders of consolidation and change. The first, and most obvious, area for future study is a quantitative study examining whether any of the projected savings have come to fruition because of joint basing. This study would include, but would not be limited to, monetary savings, fewer contract actions, less headcount, and other administrative support required. However, as previously mentioned, this study could not be adequately completed until the joint bases have had more time to operate. Instead, a study of the more mature joint bases could be done to find what, if any, efficiencies have been found because of the joint-base initiative and how long it takes to reap efficiencies after consolidating a purchasing organization.

Another important area for further research would be the idea of contract unit consolidation compared to remaining separate contracting organizations. JBSA maintained three separate, distinct purchasing organizations, whereas JBLM moved to a single purchasing unit. Because this study examined only two bases, we could not reach any conclusions based on the differences in consolidation of contracting units. This same idea of other factors playing a role could be applied to geographically separate versus connected joint-base studies as well. Finally, another similar study comparing results when different Services have the lead would be beneficial to the field and help to make improvements across all DoD joint bases.

One final area for potential research involves comparing the BRAC goals to the joint-base actions. Determining why or how joint-base leaders deviated from BRAC goals would serve as a valuable study as well. Tied directly to the

question of deviating from BRAC goals could include Congressional interest. Specifically, asking how Congress can better ensure that future and current consolidation implementation coincides with the original intent and goals put forth by Congress. Finally, asking how accountability can be instilled throughout the change process may be an area of interest for lawmakers.

G. Summary

The comparison of JBSA and JBLM provides a view of two very different approaches to contracting consolidation, led by two different Services. Utilizing a case study approach, we identified specific factors that acted as barriers to their consolidation, as well as those that contributed to the organizational successes of joint-base contracting. We compared and contrasted the operations of JBSA and JBLM with each other, as well as with concepts identified in the review of the academic literature. This comparison allowed for the identification of strengths and weaknesses of both approaches. Whereas lessons learned from this case study are not perfectly generalizable to other situations, it provides an opportunity to see the types of challenges that future consolidations may encounter.

One JBSA employee may have summarized it best by saying, “The overall concept is good, but how well it’s being implemented is another story” (personal communication, June 15, 2011). There are many people at both JBSA and JBLM that believe joint basing is a sound idea that will provide benefits to the military in the future, but they acknowledge that current struggles with the transition exist. The consolidation process is complicated, and the joint bases only recently reached FOC; many challenges remain. It would be easy for organizations and personnel to get discouraged as the process progresses with little efficiencies to show for the effort thus far. As the processes mature, it is possible that the consolidation will make the joint bases more efficient as well as more effective in their mission accomplishment.

The government incurred significant costs of approximately $50.6 million in its creation of joint bases, including JBSA and JBLM. Industry would have tracked costs and would be expecting a return on investment, but the government has not. The costs and projected savings of creating these joint bases were high, and the joint bases are not currently fully meeting the goals of the BRAC as laid forth by Congress. If the issues currently facing JBSA and JBLM fail to be adequately addressed, a case of déjà vu may surface, particularly at JBSA. Just as the SACC and SARPMA failed over 20 years earlier, the military may have failed to learn from its past mistakes, and another disestablishment of a joint effort may occur. If so, the DoD will have little credibility with its employees and the public for providing intended results of consolidations. This consideration begs the larger question of whether or not the joint-base portion of the BRAC should continue if nobody is accountable for delivering results.

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Appendix

	Questions	Contracting Personnel	Contracting Leadership	Customers
Demographic and General Questions				
1	How many years of functional experience do you have?	X	X	X
2	For which service do you currently work? Did this change because of consolidation?	X	X	X
3	What is your current position? How long have you held this position? Did this change because of consolidation?	X	X	X
4	Are you a supervisor or rater? Did this change because of consolidation?	X	X	X
5	Are you currently warranted? Did this change because of consolidation?	X	X	
6	How would you define success for contracting in the joint base environment (fewer contract actions, monetary savings, better contracting support/customer service)? What, if anything, would you change to bring about that success(es) (reduce workforce, pre-acquisition planning, training)?	X	X	X
7	What contracting efficiencies have been achieved through joint basing and how do you measure those efficiencies? Do you think others will come?	X	X	X
8	What do you see as the objectives of joint basing? (number of actions, dollar value, dollars/action, number of modifications, number of protests, customer satisfaction)? Do you believe joint basing will achieve its intended objectives? Why or why not?	X	X	X
Governance Structures Questions				
9	Where did this contracting unit fit into the base before joint basing occurred? Was this an appropriate fit for mission completion? Is there an available organization chart from this time?	X	X	
10	Where does contracting unit fit into the base now that joint basing has occurred? Is this an appropriate fit for mission completion? Is there an available organization chart?	X	X	
11	What are the strengths and weaknesses to changes in structure? (division of labor, informal communication, formal hierarchy, standardization (processes, outputs, skills), span of control, centralization, formalization), mechanistic vs. organic)	X	X	
12	What, if anything, would you change to make your unit fit more appropriately into the joint base structure? How would these changes improve fit?	X	X	
13	Was your chain of command well-defined? How many supervisors did you report to and what were their positions? Was your direct supervisor also your rater? If not, who was your rater and what was his/her position?	X	X	
14	Is your chain of command well-defined? How many supervisors do you report to and what are their positions? Is your direct supervisor also your rater? If not, who is your rater and what is his/her position?	X	X	
15	Did you have a separate chain of command for contracting authority? How did this change after joint basing?	X	X	
16	Was the prior structure effective? (effective management, balanced workload, empower experts to make decisions, facilitates communication, unified priorities, customer focused, shared resources)?	X	X	
17	Has the new structure been effective? Will it be effective in the future? (enables efficiency and successful communication, fits culture and environment, avoids problems, fixes issues that occur)	X	X	

18	How do you address problems with customers that are not cooperating? Do you address customers from other services differently? (talk to them, have your supervisor address them or their supervisor, commander to commander, higher commander)	X	X	
19	Have you observed a higher frequency of conflict since consolidation? If so, please describe. (intensity, subject, inter-service, cross-functional)	X	X	
20	Have you observed a change in resource allocation to your squadron since consolidation? If so, please describe. (what changed, how it impacts you/your customers, mission)	X	X	
21	Do you anticipate a change in resource allocation to your squadron since consolidation? If so, please describe.	X	X	
Contracting Process Questions				
22	What processes changed because of joint basing? What processes need to change to make joint basing more effective?	X	X	X
23	Have the training certifications required for your position changed since joint basing? If so, how? (DAU levels, service specific, any positions require specific training (i.e. construction or PBSA))	X	X	
24	What was the process flow of receiving requirements prior to joint basing? How were needs described? (customer, finance, contracting; thorough description, part numbers, previous acquisitions, cost estimates, suppliers, performance based)	X	X	
25	What is the process flow of receiving requirements since joint basing? How are needs described now?	X	X	
26	Describe the funding process prior to joint basing. How has it changed? (flow, organization, interaction, forms, computer systems)	X	X	
27	At what level was acquisition planning occurring prior to joint basing? (purchase in economic quantities, lease v. buy, time frame from requirement definition to award, when does process start for reacquisition). Who was the final authority on these decisions? (command level, base level, customer level)	X	X	
28	At what level does acquisition planning now occur? (purchase in economic quantities, lease v. buy, time frame from requirement definition to award, when does process start for reacquisition). Who is the final authority on these decisions? (command level, base level, customer level)	X	X	
29	Who determined acquisition priorities prior to joint basing? Was it effective?	X	X	
30	Who determines acquisition priorities since joint basing? Is this effective?	X	X	
31	Did requirements integration or consolidation occur prior to joint basing? Was it effective? Who was responsible for it?	X	X	
32	Does requirements integration or consolidation occur since joint basing? Is it effective? Who is responsible for it?	X	X	
33	Are acquisitions for customers from other services on your base treated as interagency acquisitions? Are there streamlined processes for this situation?	X	X	
34	If a situation arises where services have different opinions (contract, legal, etc), how is it resolved?	X	X	
35	Were the process changes managed efficiently? How so?	X	X	
36	How have these process changes been accepted?	X	X	
37	Have these changes influenced your unit in a positive or negative manner?	X	X	X

Communication Questions				
38	Did a strategic communication plan exist for your unit prior to joint basing? Is a copy available?	X	X	
39	Does a strategic communication plan exist for your unit since to joint basing? Is a copy available?	X	X	
40	Has the way you communicate with your customer changed since joint basing? If so, how? (e-mail, briefings, through chain of command, information overload)	X	X	
41	How was the process of joint basing communicated to affected employees? Was it clear?	X	X	
42	How were customers educated on changes to the contracting processes and how would it affect requirements? Was it clear?	X	X	
43	Has the interservice nature of joint basing caused any difficulties with communication? If so, what steps have been taken to minimize effects? (explanations of acronyms and jargon, procedures)	X	X	
44	Has the way your leadership communicated with you changed since joint basing? If so, how?	X	X	
45	Have any steps been taken to help members effectively communicate with other services?	X	X	
46	Has the way you receive feedback changed since joint basing? If so, how? (how was the feedback given, to whom, by whom, was it documented)	X	X	
47	Has the way you give feedback changed since joint basing? If so, how?	X	X	
48	Prior to joint basing, was there a mechanism to give feedback to superiors? Is there now? (How was feedback given, to whom, by whom, was it anonymous, did it lead to any changes)	X	X	
Commander/Director Questions				
49	Have the changes made for joint basing successfully supported the purpose of BRAC? Explain why or why not. If not, what should be done differently to achieve intended outcomes?		X	
50	What decisions did you make that directly related to BRAC, and what guidance did you receive?		X	
51	What actions did you take to prepare your unit for the consolidation? How were they effective? Was there anything else you would have done differently?		X	
52	What barriers did you encounter to joint basing? (resources—personnel, budget, office space; politics—other commanders wanting authority, other services wanting things their way; culture—new employees, new customers)		X	
53	Did you have control of the structure of your unit prior to consolidation? Did you decide the structure following consolidation?		X	
54	What are the expected outcomes of joint basing? (monetary savings in contract consolidation or personnel reduction, better mission support, better community support) Who is accountable if the expected outcomes are not achieved?		X	
55	How will future manning levels be calculated? Is this different from how it was done before joint basing? Will other services have any input into this process?		X	
56	How would an element of another service address problems with their contracting support?		X	
57	Were any policies or practices from the other service adopted by the unit?		X	

58	Do you track any efficiencies gained from joint basing? Are you aware of anyone else responsible for doing so?		X	
59	If support levels deviate from expectations of the supported service, how is this conflict resolved?		X	
60	How much conflict have you experienced with the other service?		X	
61	Have your employees voiced any frustration with joint basing? If so, of what nature?		X	
62	What are the issues you have encountered? How did you resolve them?		X	
63	Have you had any issues with the level of senior support for contracting?		X	
64	Have you had any issues with the level or quality of pre-award support from customers since consolidation? (timeliness, tech eval quality, cost estimates)		X	
65	Have you had any issues with the level or quality of post-award/administration support from customers since consolidation? (number of contracts, number of QAE/COR/inspectors, qualifications, contract changes)		X	
Customer Questions				
66	From your perspective, how has the contracting process changed as a result of the joint basing consolidation?			X
67	How has the process for submitting requirements changed as a result of the consolidation?			X
68	Has the quality, responsiveness, or type of interaction and service with contracting changed since consolidation? How?			X
69	Were changes in the contracting process clearly communicated? Were the changes accurately described?			X
70	Have lead times changed since the consolidation? If so, are they better or worse?			X
71	Overall, have the changes been positive or negative? Why?			X
Conclusion Question				
72	What have we not asked that we should know about how joint basing is impacting your unit?	X	X	X

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- Past Performance in Source Selection
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